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87th Session 1999

Report VI

The role of the ILO in technical cooperation

International Labour Office Geneva

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The role of the ILO in technical cooperation

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INTRODUCTION

Technical cooperation is a recurrent item on the agenda of the International Labour Conference. The resolution adopted at the 73rd Session (1987) of the Conference concluded that it would be desirable for the International Labour Conference to review the technical cooperation programme regularly, at least every five years. The last discussion took place in 1993. As a result of the busy agenda of the Conference in 1998 because of the discussion on the Declaration on Fundamental Principles and Rights at Work and its Follow-up, the item was included on the Conference agenda for 1999.

The point of departure for the technical cooperation programme undertaken — and this report — are the conclusions contained in the resolution concerning the role of the ILO in technical cooperation, adopted by the International Labour Conference at its 80th Session (1993):

"— Technical cooperation should remain a major means of action for the attainment of the objectives of the ILO, complementing other means of action, in accordance with its mandate defined in the Constitution, and in the Declaration of Philadelphia.

— Technical cooperation should be implemented in accordance with the objectives of the ILO and the needs and priorities of the recipient countries and should be confined to the fields central to the ILO's competence, making full use of its comparative advantage and tripartite structure. The programme should furthermore focus on the strengthening of national capacities of developing countries in the fields of ILO competence to help them attain the goal of self-reliance.

— Priorities for country-specific ILO technical cooperation activities should be identified at the country level by relevant government agencies in close consultation with the most representative employers' and workers' organizations and the Office and other donors responsible for substantial programmes of technical cooperation in the country, as appropriate.

— In view of the increasingly competitive development environment in which the Organization has to operate, every possible measure should be taken to strengthen its unique expertise obtained from its tripartite structure. This is to be achieved through the allocation of resources to the agreed priorities through the programme and budget process and the adoption of appropriate personnel policies supported by a needs-based training programme which includes promotion of understanding of the concerns of the social partners.

— ILO technical cooperation should be an integral part of the operational activities for development, and as such should be carried out in full coordination with the various programmes and agencies in the UN system in order to avoid unnecessary overlap and duplication, and bearing in mind the ILO's own distinct objectives and tripartite structure. Particular attention should be given to General Assembly resolutions 44/211 and 47/199, previously cited.

— The Governing Body should intensify its efforts to monitor, review and evaluate the technical cooperation programme, particularly through its new Committee on Technical Cooperation. This process should include evaluation of the overall programme and specific findings with respect to key programme areas. Programme evaluation should be based on rigorous methodology approved by the Governing Body through its appropriate committee. It would be desirable for the International Labour Conference to undertake a comprehensive review of the programme at regular intervals, at least every five years."

This report has been prepared within the framework of the above-mentioned conclusions. It is a forward-looking paper prepared in a fashion that will enable the Office to obtain guidance and direction for the future from the Conference. It reviews the major technical cooperation programmes and projects undertaken since the last Conference discussion on the subject and, citing the lessons learned, submits new orientations for the future. It analyses ILO's strategic responses to new challenges and advances proposals for the way ahead.

Technical cooperation programmes carried out during the period under review broadly fall under four categories: first, demand-driven programmes and projects that emanated from the identified needs of constituents through country objectives; second, programmes and projects undertaken more directly in pursuance of ILO's standard-setting functions; third, activities pursued as a follow-up to global conferences; and fourth, global programmes of the ILO, such as the International Programme on the Elimination of Child Labour (IPEC), which were developed internally in response to identified needs of the Organization's constituents and priorities. A number of programmes and projects cut across these four categories.

Chapter I of this report provides a quantitative picture of the technical cooperation programme for the period from 1993 to 1997. Although subsequent chapters refer to activities up to 1998, availability of statistical figures limited the quantitative description to 1997.

The resolution concerning the role of the ILO in technical cooperation, adopted at the 80th Session (1993) of the International Labour Conference, concluded that the ILO technical cooperation programme should focus on three major areas, namely, support for democratization, poverty alleviation which, inter alia, included employment creation, and the protection of workers. In Chapter II, which reviews programmes and projects focusing on these priority areas, an attempt has been made to highlight the approach adopted to analyse the major activities undertaken — especially with regard to the methodology and impact — to suggest the way forward and to raise points for discussion. The presentation is thematic; country- and region-specific examples are provided within that framework.

The past decade has witnessed unprecedented structural, political, economic and attitudinal changes. Globalization and liberalization, while providing enormous possiblities for growth, have added new dimensions to social and economic problems. There has been a series of United Nations reforms; perceptions of donors have changed — as have the modalities for technical cooperation. The ILO has had to make strategic responses to these new challenges. Chapter III gives a description of these responses and discusses possible refinements, corrective measures or new ideas. The issues covered include: the Active Partnership Policy (APP); global programmes; resource mobilization; programmes of the Turin Centre; monitoring and evaluation. The last section of the chapter puts forward proposals concerning activities envisaged on technical cooperation related to the Declaration on Fundamental Principles and Rights at Work and its Follow-up.

This report concludes with some thoughts on moving ahead into the twenty-first century and raises a number of additional issues on which the Office might receive guidance and direction from the Conference.

CHAPTER I

TRENDS IN TECHNICAL COOPERATION

OVERVIEW

Technical cooperation expenditure grew for five consecutive years between 1987 and 1991, rising to a high of $169 million. The following year marked the start of a decline which continued until 1996, by which time expenditure had dropped to a low of $98.2 million. The evolution of technical cooperation expenditure over the period 1988-97 is shown in figure 1.1. In terms of expenditure, the

Figure 1.1. Expenditure on ILO technical cooperation from all sources of funds (1988-97)

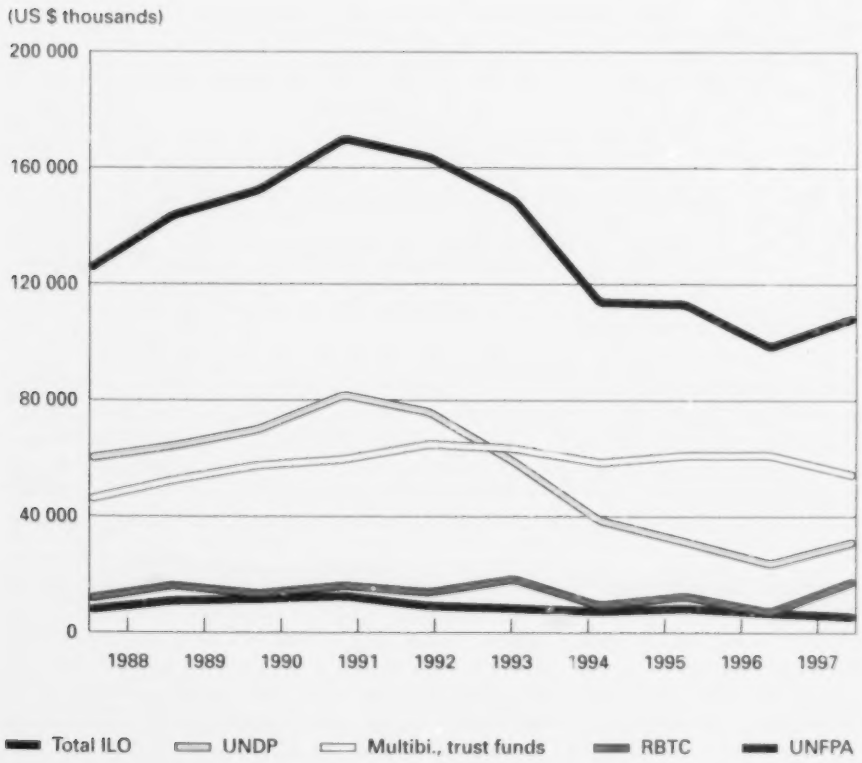
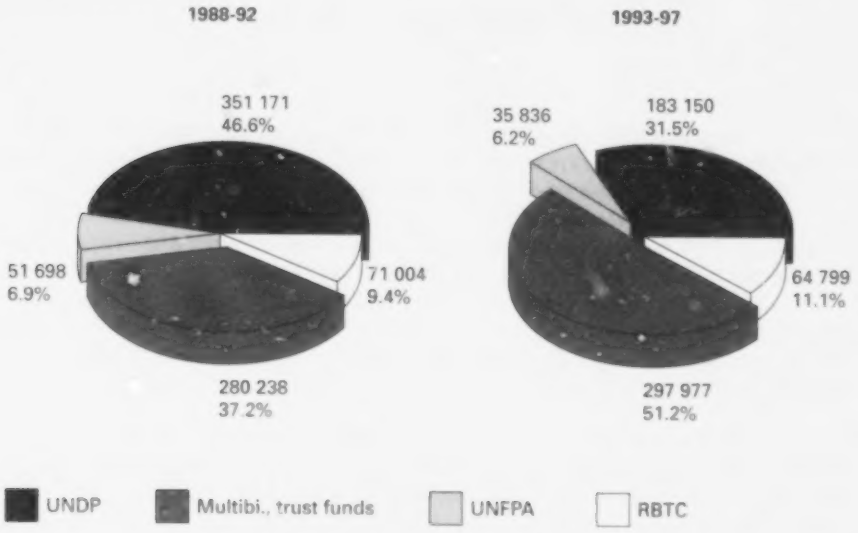


Figure 1.2. Expenditure on ILO technical cooperation from all sources of funds (1988-97)

(US $ thousands)



technical cooperation programme contracted between the two five-year periods of 1988-92 and 1993-97, with expenditure in the former period amounting to approximately $754.1 million and in the latter period falling to about $581.2 million. This contraction should be viewed in the context of the overall decline in official development assistance (ODA) resources and the correspondingly more difficult environment for the mobilization of resources. It also reflected a transition period during which the ILO adjusted to internal reforms, as well as to those within the United Nations system, including the introduction of new modalities for the execution of programmes which had implications for the volume and nature of technical cooperation. These new modalities placed a strong emphasis on national capacity building and the use of national personnel and institutions for project implementation, which in turn led to reduced involvement of specialized agencies in project execution.

A significant feature of the period under review was therefore the change in the UNDP's traditional position as the major contributor to the ILO's technical cooperation programme. From 1993, expenditure on the trust fund programme (financed by multi-bilateral donors, development banks and recipients themselves) exceeded that of the UNDP programme. The shift in the funding of the ILO's technical cooperation programme over the period 1988-97 is illustrated in figures 1.1 and 1.2. For the period 1988-92, the UNDP programme accounted for 46.6 per cent of the ILO's technical cooperation expenditure. However, in the following five-year period the share dropped to 40.1 per cent and the trust fund share increased from 37 per cent

to 43.4 per cent. Expenditure on the UNDP programme plummeted from $81.6 million in 1992 to $23.5 million in 1996. As can be seen from figures 1.1 and 1.2, the decline was arrested and expenditure rose to $31.2 million in 1997, with increased UNDP approvals in 1996. The start-up of projects funded under the UNDP's new cycle and the complementarity between the UNDP's current focus on sustainable human development and the ILO's programme priorities and areas of technical competence, which made it well-placed to tap the available resources, were some of the factors accounting for the revitalization of the UNDP programme. Despite its increased share in the overall programme, the trust fund programme contracted during the period under review and expenditure fell from $64.8 million in 1992 to $54 million in 1997. Given the approval levels in recent years, trust fund expenditure should increase in the next few years.

The number of projects executed by the ILO rose from 1,315 in 1991 to 1,431 in 1993 and 1,526 in 1997.

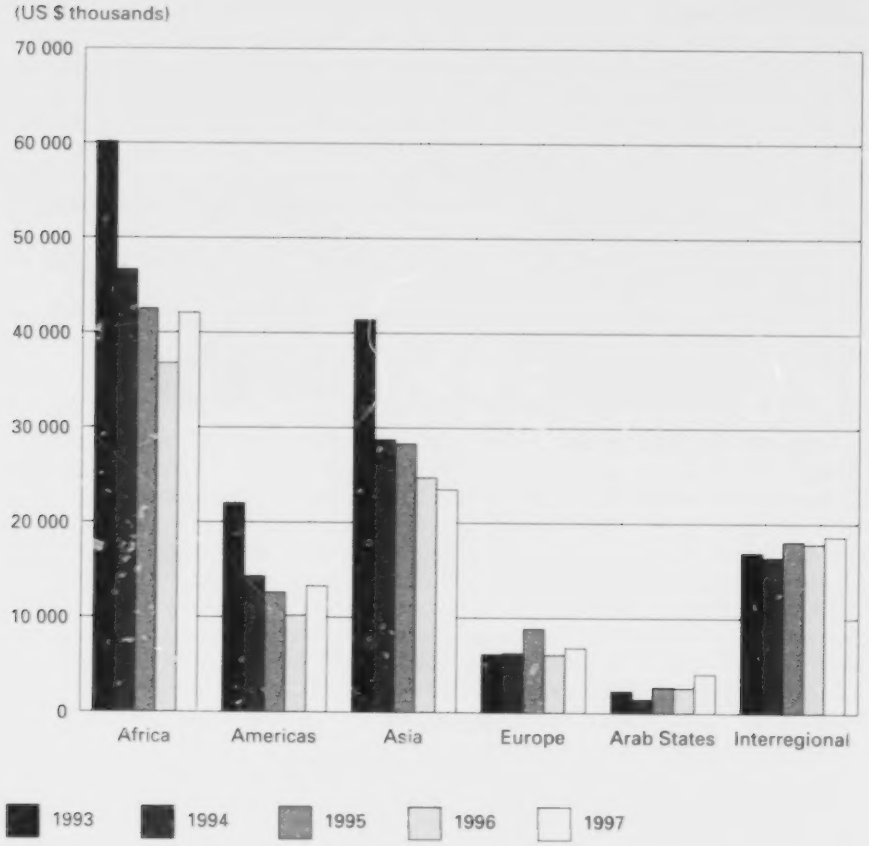
Expenditure by region

Between the opening and closing years of the period 1993-97, expenditure declined in Africa, Latin America and the Caribbean and Asia, as indicated in figure 1.3. Throughout this period, Africa received the largest share which remained fairly stable at an average of 39 per cent (see table 1.1). Continued support for countries in transition led to an increase in Europe's share from 4 per cent in 1993 to 6 per cent in 1997. Similarly, the share of the Arab States rose from about 2 per cent in 1993 to 4 per cent in 1997, reflecting in particular the support extended to Palestine during this period. Expenditure on interregional programmes increased over the period, a trend which is likely to continue with the expansion of major programmes such as IPEC and the recent development of new programmes with wide geographical coverage. It should be borne in mind that interregional expenditure is ultimately associated with activities conducted principally at national level in the various regions and this should be taken into account when reviewing the apparently declining trends in certain regions. All regions, except Asia and the Pacific, registered increases in expenditure between 1996 and 1997.

Table 1.1. Share of expenditure on ILO technical cooperation by region (percentage)

	1993	1994	1995	1996	1997
Africa	40.4	41.0	37.6	37.4	38.8
Americas	14.8	12.6	11.1	10.4	12.3
Asia	27.8	25.3	25.0	25.2	21.7
Europe	4.1	5.5	7.8	6.2	6.3
Arab States	1.5	1.2	2.4	2.7	3.8
Interregional	11.3	14.4	16.0	18.2	17.2

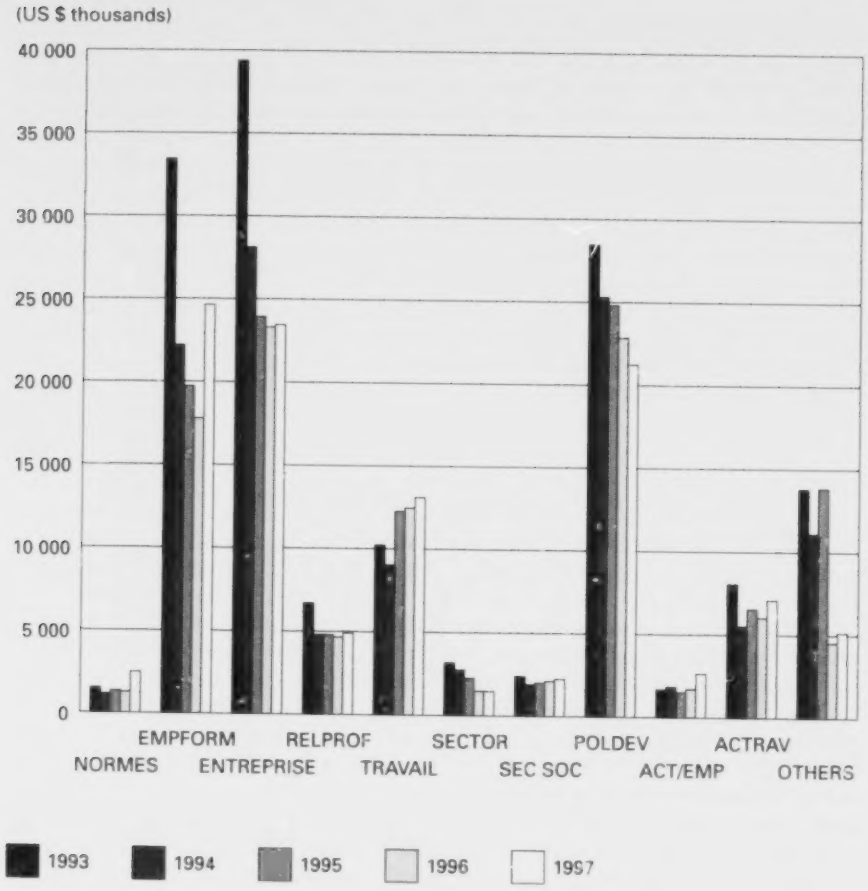
Figure 1.3. Expenditure on ILO technical cooperation by regions (1993-97)



EXPENDITURE BY MAJOR TECHNICAL COOPERATION PROGRAMME

Figure 1.4 shows the distribution of technical cooperation expenditure (all sources of funds) by major technical cooperation programme. During the period under review, the Enterprise and Cooperative Development Department (ENTREPRISE) and the Development Policies Department (POLDEV) consistently registered expenditure in excess of $20 million per annum. With the exception of 1995 and 1996, this has also applied to the Employment and Training Department (EMPFORM). The combined expenditure of projects in the areas covered by EMPFORM, ENTREPRISE and POLDEV accounted for about 64 per cent of technical cooperation expenditure in 1997. This reflects the high priority which donors

Figure 1.4. Expenditure on ILO technical cooperation by major technical programme (1993-97)



Figures have been adjusted where necessary to take into account the internal reorganization of some departments.

continued to give to ILO activities related to employment promotion for poverty alleviation. There has been a steady increase since 1995 in expenditure recorded under the Working Conditions and Environment Department (TRAVAIL) principally associated with the expansion of the IPEC programme. This should become even more pronounced in the future as the programme has attracted significant levels of new funding in recent years. Although still modest, expenditure under the International Labour Standards Department (NORMES) also increased during the period under review.

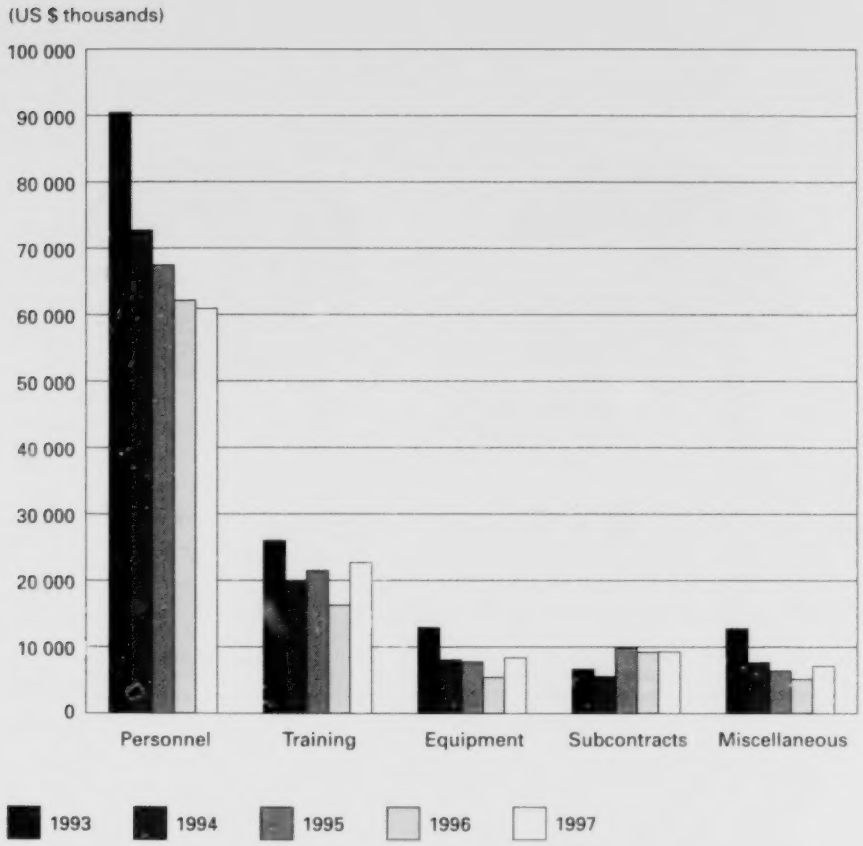
Expenditure by source of funds

A review of technical cooperation expenditure by source of funding shows that UNDP expenditure is highly concentrated in employment creation and training activities related to EMPFORM, ENTREPRISE and POLDEV's areas of competence. There was no UNDP funding for standards-specific projects, nor for employers' activities which were financed from the regular budget for technical cooperation (RBTC) and trust funds. RBTC expenditure has been highest on EMPFORM-related activities. However, in contrast with both UNDP and trust funds, workers' activities generally accounted for the second highest level of RBTC expenditure over the period. With respect to standards-specific projects, between 1993 and 1995, RBTC expenditure exceeded trust fund expenditure, although the reverse has been the case since 1996. Trust fund expenditure for industrial relations and labour administration projects has also been consistently higher than equivalent RBTC or UNDP expenditure and has, more often than not, been the most important source of funding for employers' and workers' activities during the period under review. Trust fund sources have therefore been very important in financing key areas of the ILO's technical cooperation activities.

Expenditure by type of assistance

Figure 1.5 shows technical cooperation expenditure according to the main components. The figures are beginning to reflect certain changes in the approach to technical cooperation which have taken place during the period. First, there is a clear trend towards a reduction in expenditure on non-regular (experts including chief technical advisers) technical cooperation personnel experts. In 1992, there were 243 international experts from developed countries and 161 from developing countries serving on the ILO's technical cooperation programme. By 1997 the numbers were 112 and 61 respectively. Total expenditure on international experts amounted to about $65.1 million in 1992, dropping by 50 per cent to $32.2 million in 1997. Expenditure on other project personnel comprising national experts, external collaborators, locally recruited project staff, United Nations Volunteers (UNV) and other staff costs also fell, but less drastically, from $38.3 million to $28.7 million between 1992 and 1997. These indicators suggest that more strategic use of technical cooperation personnel for specialized purposes is being made than resident expertise on a long-term basis; that attention is being paid to the use of national personnel consistent with the renewed emphasis on national capacity building; and that more cost-effective forms of securing the necessary technical services are being pursued. Another indication of initiatives to strengthen national capacity is expenditure on subcontracts which increased during the period. Such development is usually associated with the use of national institutions for project implementation. Finally, although expenditure on training fell by about 12 per cent between 1993 and 1997, it has remained around $20 million per annum, except for 1994. Its share also rose from 17 per cent in 1993 to 21 per cent in 1997 which is consistent with the emphasis placed on strengthening national capacity. Expenditure on equipment dropped by 35 per cent between 1993 and 1997, reflecting changes in the nature of technical cooperation resulting in reduced involvement in projects with large equipment purchases.

Figure 1.5. Expenditure on ILO technical cooperation by type of assistance (1993-97)

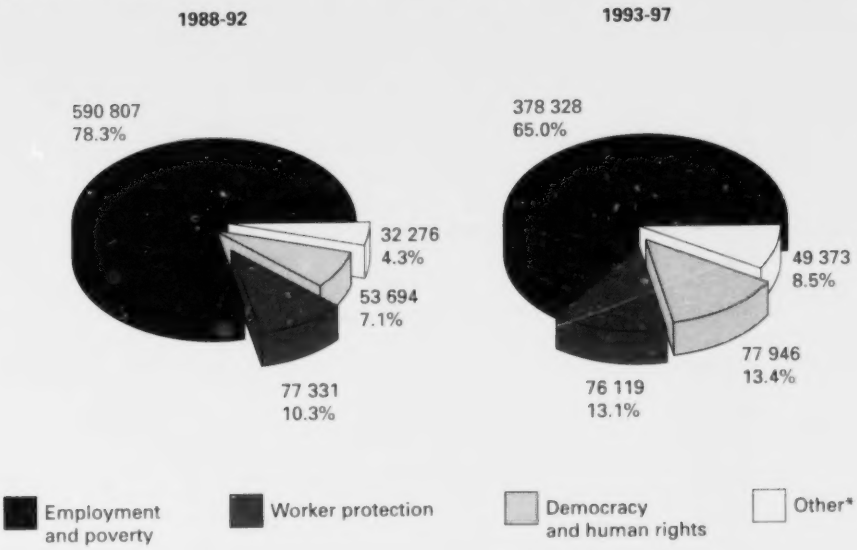


Expenditure by priority themes

Since 1994, ILO action, including technical cooperation, has been guided by three priority objectives: promoting democracy and human rights; the fight against poverty and unemployment; and the protection of working people. Figure 1.6 highlights the distribution of expenditure according to these priorities. It will be seen that following the clear identification of these objectives, although the fight against poverty and unemployment continued to receive the largest share (65 per cent), there have been increases in the share of the other two areas as compared with the distribution of expenditure in the preceding five-year period. It may be said, therefore, that these objectives have brought greater focus to the ILO's technical cooperation programme and helped to strengthen ILO action in key areas of its mandate.

Figure 1.6. Expenditure on ILO technical cooperation by priority themes (1988-97)

(US $ thousands)



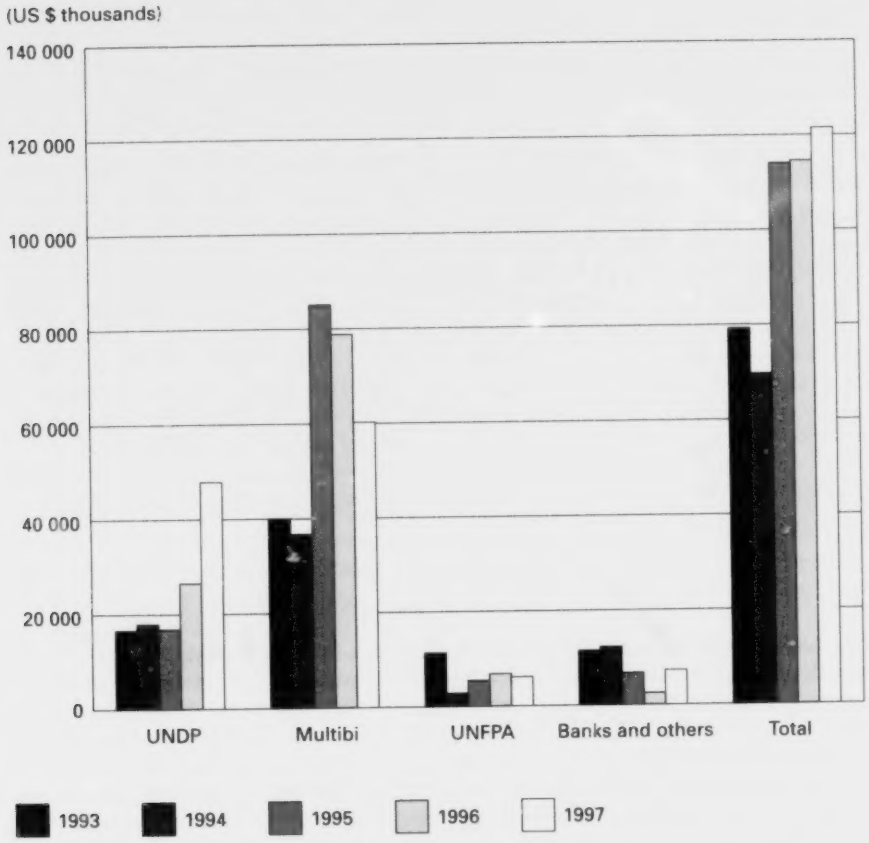
* *Other includes small projects supportive of diverse technical fields.*

The above breakdown is based on the reporting codes for each individual project. Employment and poverty include activities which come under EMPFORM, ENTREPRISE and POLDEV; Democracy and human rights include activities which come under NORMES, RELPROF, ACT/EMP and ACTRAV; Worker protection includes activities which come under TRAVAIL, SECTOR and SEC SOC.

Approvals

Figure 1.7 shows the approvals for the period 1993-97. Approvals, which fell in 1994, have since been on the rise and stood at $121,480 million in 1997. Trends in approvals are examined in more detail in the section on resource mobilization in Chapter III.

Figure 1.7. Approvals of ILO technical cooperation from all sources of funds (1993-97)



CHAPTER II

TECHNICAL COOPERATION IN PRIORITY AREAS

In line with the resolution adopted at the 80th Session (1993) of the International Labour Conference, technical cooperation has focused on three major areas established at that time, namely, support for democratization, poverty alleviation which, inter alia, included employment creation, and the protection of workers. In this chapter, substantive activities are grouped under these three priority areas. Needless to say, there are times when, conceptually as well as operationally, activities in these areas overlap; artificial divisions have therefore occasionally had to be drawn for reporting purposes. No attempt has been made to list or even refer to all the activities, programmes or projects covered under each area. The chapter sets out to present an analytical summary of technical cooperation carried out during the period under review, focusing on the lessons learned in terms of impact and effectiveness and to chart, on the basis of that experience, the way forward. International labour standards and technical cooperation — an issue which cuts across all three priority areas — is dealt with at the end of the chapter.

Poverty alleviation and employment promotion

Over the years, ILO operational activities have been undertaken on the premise that the creation of full, productive and freely chosen employment is the most effective means of fighting poverty and ensuring equitable and sustainable development. This basic principle, reflected in the Declaration of Philadelphia (1944) and considered an integral part of the ILO's core mandate, has been reaffirmed over the years in a number of ILO instruments and resolutions including the Employment Policy Convention, 1964 (No. 122), and two resolutions concerning employment growth and employment promotion adopted by the International Labour Conference at its 79th Session (1992).

A more recent development in this area has been the Programme of Action adopted at the World Summit for Social Development in Copenhagen in 1995; of particular significance is Commitment 3 in which the nations of the world undertake to promote the goal of full employment as a basic priority in economic and social policies and to put the creation of employment at the centre of strategies and policies of governments, with full respect for workers' rights and with the participation of employers, workers and their respective organizations. The World Summit for Social Development called upon the United Nations General Assembly to request the ILO, because of its mandate, tripartite structures and expertise, to contribute to the implementation of the Programme of Action.

During the period under review, ILO's programmes on poverty alleviation and employment have focused on: helping constituents to contribute to the formulation of economic policies which both increase employment and sustain the process of economic reform; strengthening labour market institutions and organization through assis-

tance in collection and dissemination of labour market information and formulation of labour market policies; training for self-employment and income generation; trying to prevent the social exclusion from the labour force of vulnerable groups such as ex-combatants, refugees and displaced persons in countries emerging from conflict; promoting enterprise and cooperative development; and improving access to and use of micro-finance. Multifaceted programmes have thus aimed at increasing the capital (human as well as credit) and labour (employment) resources of the unemployed and underemployed members of the labour force, especially those of the poor.

Activities at the policy level

A number of programmes were carried out to strengthen the capacity of policy-makers to take more appropriate decisions on employment and poverty alleviation policies. Due attention was paid to labour market information, given that it is a key element behind sound employment policies, and estimates on poverty levels were made to ensure that poverty alleviation programmes addressed the problem adequately.

Technical assistance was provided to national statisticians in collecting labour market data in market operating systems. National enterprise surveys were also carried out in various countries, particularly in some transition countries. With a view to assisting the constituents in setting up and/or developing labour market information, employment and training observatories were established in some French-speaking countries (Côte d'Ivoire, Mali, Benin, Chad, Gabon and Togo) with UNDP and World Bank assistance. A methodological guide on observatories has been produced for training purposes. The Key labour market indicators project aimed at increasing information flows to policy-makers and social partners.

Technical cooperation assisted many employers' organizations to formulate and develop policy positions pertaining to labour markets and to increase their capacity to debate on related issues with policy-makers, other tripartite constituents and, where necessary, the public.

In Asia the ILO has stepped up its assistance in the collection and analysis of labour market data to the Governments of the following countries: Thailand, Viet Nam, Lao People's Democratic Republic, China and Mongolia.

In Egypt, a complete revision of the existing labour force survey provided reliable estimates of employment and unemployment. A policy framework entitled "Job creation and poverty alleviation in Egypt: Strategy and programmes" has since been adopted. The policy framework has been designed to create jobs to absorb half a million new entrants to the labour market every year, while maintaining the quality of employment. In Sudan, information on poverty levels was compiled with a view to preparing poverty eradication strategies. In Uzbekistan a social policy framework has been adopted; this includes the setting up of a Social Transformation Fund with support from the World Bank to ensure that employment-intensive growth is both rapid and sustained.

As a direct follow-up to the Copenhagen Social Summit, a large number of country employment policy reviews were undertaken to assess whether the countries concerned were able to implement the recommendations of the Programme of Action, and to gauge the extent to which employment policies were integrated into general policy-making in these countries.

Various action programmes have been initiated to focus on the implementation of various Commitments of the Programme of Action of the Social Summit. In line with Commitment 6, an action programme was established to respond to the multidimensional problems of youth unemployment. This programme has carried out investigative work in a number of countries (Canada, Chile, Germany, Hungary, India, Indonesia, Italy, Jamaica, Poland, United Republic of Tanzania, the United Kingdom, Viet Nam and Zimbabwe), and has looked at several specific policy issues such as minimum wages and youth employment, policies for disabled youth, the role of public services, policies for disadvantaged youth, and self-employment programmes for young people. As a result of this work a comparative report on youth employment policy in a global perspective is currently being finalized.

Within the Action Programme on Globalization, Area-based Enterprise Development and Employment, the problems of local adjustment to change brought about by globalization have been examined in Bulgaria, Hungary, Peru, Thailand and Zimbabwe. Work has concentrated on ways in which local institutions at the community, municipality or regional level might foster linkages between local producers and global markets and improve local employment prospects.

In order to help member States with the implementation of Commitment 8 (under which signatories commit themselves to ensuring that structural adjustment programmes include social development goals) an Action Programme was initiated on structural adjustment, employment and the role of the social partners. The ILO is advocating a new generation of adjustment programmes which seeks to include people and institutions as actors, thereby promoting participation and consultation between the social partners. Government, employers' representatives and workers' representatives have been of the opinion that instead of being dominated by central banks, finance ministries and related institutions, adjustment programmes should be brought back into the realm of national policy-making with the objective of economic and social development — not only for the people, but also by the people. These recommendations were fully supported by representatives of the Bretton Woods institutions.

Another follow-up to the World Summit for Social Development has been — with the financial assistance of the UNDP — the launching of Jobs for Africa. This programme will address the problems of job creation and poverty in sub-Saharan Africa. Policy advisory missions have already been undertaken in Cameroon, Mauritius, Senegal, Uganda and Zimbabwe.

The main thrust of the programme is to design and adopt poverty-reducing employment strategies based on investment-led macroeconomic policies that are explicitly targeted to achieve sustained growth and are coherent at the micro middle and macro levels. The major challenge for this programme will be its translation into effective labour market policies and private sector development.

The focus of programmes and activities relating to the informal sector has been on developing the capacity of constituents to create jobs and alleviate poverty in the informal economy. Both as a follow-up to the Second United Nations Conference on Human Settlements (Habitat II) and as part of the 1994-95 interdepartmental project on the informal sector, the ILO has been further developing and demonstrating approaches for the creation of employment in urban areas. These approaches target job creation in the informal sector and the adoption of employment-intensive methods for the construction of infrastructure. Pilot activities showing how to put these approaches

into practice have been undertaken in such countries as Burkina Faso, Kenya, the United Republic of Tanzania and Uganda.

A series of workshops was held in Asia, Africa and Latin America on the rural and urban informal sector. One example of action taken as a result of these workshops was the preparation of training modules on the informal sector for municipal officials in Asia. Assistance provided to the Government of the United Republic of Tanzania contributed to the adoption of that country's first national policy for the informal sector. In the Philippines, the Government was advised on ways to restructure the public agencies involved in enterprise development by gradually transforming them into private or semi-private bodies, so that they might improve services to informal sector enterprises. In French-speaking Africa, assistance to workers' organizations took the form of pilot activities to address problems in the informal sector. ILO activities have no doubt helped to place the informal sector on the trade union agenda and to formulate union policy in this area; they have also contributed to an increased participation in tripartite deliberations at the national, regional and international levels.

Human resource development: Training for employment generation and poverty alleviation

ILO technical assistance on improving the quality of human resources, through training, has been based on the following major operational considerations:

— increasing the flexibility and responsiveness of national vocational training systems to labour market demands;

— strengthening the national and local employment and training authorities through capacity building of national expertise and increased participation of the social partners in the design, management and implementation of innovative approaches in employment promotion;

— assisting in the adaptation of new community-based approaches to employment promotion, relevant training delivery and post-training support.

Community-based training for self-employment

In 1993, an experts' meeting on income generation reviewed technical assistance experiences in the development of national capacities in training and employment in light of poverty alleviation initiatives. It was confirmed that, in view of the failure of conventional training and employment promotion programmes, community-based and community-owned demand-driven initiatives appeared to be the only viable and feasible approach in responding adequately to the needs of poor communities. The Meeting recommended developing a generic approach, under the umbrella term of Community-Based Training for (Self-)Employment and Income Generation (CBT). The CBT approach ranges from awareness-building and organization of support at the national and local levels, identification of potential and actual employment opportunities and resources and design and implementation of appropriate training programmes to the provision of post-training support services and evaluation of programme impact and sustainability.

Technical assistance experience with CBT-type programmes has shown that this approach is very relevant and may be suitably applied to the current and planned activities of employment and training organizations dealing with poverty alleviation. The

ILO had a catalytic role in introducing this approach by organizing national and regional technical-cum-project formulation workshops and providing technical assistance advice to familiarize the participants with technical cooperation projects — particularly in the initial stages when the CBT-based approach was being piloted or field tested for nationwide replication.

Advisory services on the practical application of CBT have been supplied in Japan, Cambodia, Kenya and Pakistan to help these countries enhance their regional and national programmes. Technical assistance was provided to Jamaica within the framework of the World Food Programme (WFP)-assisted rural development project.

Skills training for owners and managers of small-scale enterprises

A striking example of ILO work in this area is the Start and Improve Your Business (SIYB) programme. It consists of a range of interrelated training packages and support materials — including a business game — which provide small-scale enterprise owners and managers in developing countries with practical skills for starting, consolidating and expanding their enterprises. Although the programme is essentially a training instrument, it includes components on counselling, promotion of self-help associations and networking and linkages to financial institutions. Manuals are available in some 35 languages and about 3,500 instructors have been trained in the methodology, which is used by national small enterprise development institutions, including employers' organizations, government and semi-government institutions, small enterprise support organizations, government departments and workers' organizations. ILO's assistance is usually limited to the training of trainers and advice on ways to adapt the materials to local conditions. The SIYB materials have been used in some 70 countries worldwide, with more than 100,000 entrepreneurs in developing countries benefiting to date. Evaluations of the programme have concluded that SIYB training has had a substantial impact on entrepreneurs in terms of business performance, profits, and employment generation.

Support continued to be provided through the interregional programme COOPNET; during the period under review it concentrated on the development of curricula, training methods and materials, as well as the strengthening of capacities to improve cooperative entrepreneurship, with emphasis on developing entrepreneurial attitudes, management consultancy, auditing and modern personnel policies.

ILO programmes to promote an enterprise culture have mainly been aimed at education and training systems, by ensuring that their curricula contain components to make students aware of the career options of self-employment and becoming an entrepreneur. One example was the entrepreneurship education programme in Kenya, which successfully introduced entrepreneurship components into the national training and education system. In Bulgaria, a similar but smaller programme was implemented in collaboration with UNESCO and UNIDO.

In addition, the ILO and the Turin Centre have developed a special training package, Know About Business, for use by vocational and technical training institutions which are committed to introducing an entrepreneurship component into their curricula to raise awareness of the opportunities in this area.

National and subregional workshops in Africa, organized as part of the employers' activities, have focused on the role of employers' organizations in helping to develop the private sector through training entrepreneurs to sustain their businesses. A series of

national seminars on how to start and sustain a business were held in Kuwait, Qatar, Oman, United Arab Emirates and Yemen.

Retraining of the unemployed

The longer workers remain unemployed, the less chances they have of ultimately finding jobs. Their skills level is in danger of being eroded and employers are increasingly hesitant to employ them. The social dimensions of this problem are enormous and have to be tackled with policy measures and programmes aimed at reintegrating the unemployed into the labour market. ILO's Modules of Employable Skills (MES) facilitate cost-effective skills upgrading for workers currently employed, as well as training and retraining of the unemployed; they also place emphasis on employability to ensure that training matches the skills requirements of the employment market.

With ILO assistance, significant progress has been made in the introduction of employment-oriented modular training methods and programmes in Bulgaria, China, Egypt, Kenya, Sri Lanka and, in the recent past, Poland and the Russian Federation. Indeed, in the Russian Federation, a national network of 150 training institutions were set up and modular training programmes developed for more than 100 jobs. In addition to the 500 persons or so trained in modular curricula development, regular seminars have been organized to train coordinators and representatives of enterprises and training institutions. Technical assistance projects to introduce the competency-based modular approach to training and retraining of adults and the unemployed commenced in 1997 in Belarus, Bosnia and Herzegovina and Ukraine.

Direct job-creation programmes

Employment-intensive investment

Labour-based methods and public works programmes provide an effective means of promoting employment and reducing poverty. They are in line with the Employment Policy Recommendation, 1964 (No. 122), and the Employment Policy (Supplementary Provisions) Recommendation, 1984 (No. 169). The Tripartite Seminar on the Socio-Economic Implications of the Devaluation of the CFA Franc for French-speaking countries (Dakar, 1994), its follow-up meeting in Yaoundé in 1997, as well as the High-Level Tripartite Meeting on Social Responses to the Financial Crisis in East and South-East Asian Countries (Bangkok, 1998), have all reiterated the urgency of creating employment on a cost-effective and sustainable basis. The Employment-Intensive Programme (EIP) provides a very specific contribution to the Programme of Action adopted by the World Summit for Social Development (1995) by promoting patterns of economic growth that maximize employment creation and encouraging, as appropriate, labour-intensive investments in economic and social infrastructure that use local resources and create, maintain and rehabilitate community assets in both rural and urban areas.

EIPs have been set up by the ILO in more than 35 developing countries — including 14 in Asia and the Pacific — with active government and donor support. The focus of the programmes has been based on: local resource intensity; poverty alleviation through demand-driven area-based community investments; enterprise development for private sector execution of public works; the development of the necessary capacity among government officials for contract preparation and management; and the intro-

duction of the relevant labour standards in contracts to protect workers in a competitive private sector environment.

Comparative studies carried out by the ILO in such countries as Burkina Faso, Cambodia, Ghana, Lao People's Democratic Republic, Lesotho, Madagascar, Rwanda, Thailand and Zimbabwe have shown that, without compromising the quality of the infrastructure, labour-based infrastructure investments are between 10 and 30 per cent less costly than more equipment-intensive options, reduce foreign exchange requirements by some 50 to 60 per cent, and create between two and four times more employment than more capital-intensive alternatives.

A recent independent evaluation of EIP confirmed that labour-based projects offer an innovative and practical way to address employment creation and other ILO concerns such as labour standards, child labour, democratization, training and enterprise development. The evaluation recommended that EIP should be aimed at the "working poor" who may not necessarily be the poorest of the poor. Community-based investments which improve access to productive resources and basic social services have the most direct impact on poverty alleviation.

The levels of structural unemployment, particularly in the developing world and in those countries in transition to market economies, are such that demand for ILO's technical advisory services in employment-intensive programmes will continue to grow. Demand from countries facing economic and financial crisis or man-made and natural disasters is also growing rapidly in several regions.

Enterprise and cooperative development

In view of the important role that private enterprises — including cooperative enterprises — have in job creation, the ILO has further strengthened and intensified its efforts to help countries create conditions which facilitate the creation and growth of such enterprises. Technical cooperation activities in this area have concentrated on: the introduction of a conducive legal and regulatory environment; the promotion of a more positive attitude towards entrepreneurship; a more cost-effective delivery of support services, including credit; and development of human resources. Attention has also been increasingly paid to the quality of the jobs created.

ILO enterprise-based job-creation activities have focused on involving employers' and workers' organizations during the design as well as the implementation stages and on developing their capacity to promote small business and self-employment. Tripartite approaches are being promoted through the establishment of tripartite national productivity councils and centres and through technical seminars and publications. During the period under review productivity training activities for employers' and workers' organizations covered employers' organizations in South Asia, Central and Eastern Europe, the Caribbean and Eastern Africa.

Employers have seen their role in employment generation as one of promoting enterprise growth and training for employment. Selected projects carried out in Africa and Latin America, Bulgaria, the Russian Federation and Ukraine have concentrated on: enhancing the capacity of employers' organizations to lobby for an environment conducive to enterprise creation and growth; providing advice and services; and coordinating training activities in the field of small enterprises. Several workshops in Latin America addressed the role of export processing zones in generating employment and promoting economic development.

The demand for ILO advisory services and technical cooperation has continued to increase, which the ILO endeavoured to meet by providing short-term advisory services and mobilizing extra-budgetary resources for longer term technical cooperation activities. During the period under review, an average of 250 advisory missions were undertaken each year by headquarters' staff, specialists from the multidisciplinary advisory teams and short-term international consultants. ILO was actively involved in the promotion of job creation through enterprise and cooperative development in some 65 developing and transition countries worldwide.

Emphasis was placed on pilot projects to develop and test methodologies likely to have a significant demonstration effect and potential for replication. To ensure that they were cost-effective, almost all projects aimed at capacity building.

Experience has shown that an integrated approach is essential to ensure programme impact and adequate coordination between components such as policy and regulatory support, business training, development activities and access to credit and finance. With this in mind, the ILO launched a global programme in 1998 — the International Small Enterprise Programme (ISEP) — to assist constituents in the implementation of the Job Creation in Small and Medium-sized Enterprises Recommendation, 1998 (No. 189).

The bulk of technical cooperation activities in this area concentrated on developing effective business services. Most were designed to build the capacity of local intermediary organizations to deliver high-quality, cost-effective and sustainable business development services to large numbers of clients, usually in small enterprises. The overall objective was to enhance their competitiveness and productivity.

The small enterprise component of the ILO employment-generation programme in Cambodia promoted local economic development through financial and non-financial assistance to micro- and small enterprises. Local Economic Development Agencies (LEDAs) were established in nine provinces, which in turn set up a national NGO as the project's counterpart organization. The LEDAs assisted some 10,000 small and micro-business clients. Employment in the small businesses concerned increased by an average of 1.8 jobs, at a cost of $126 per job. A World Bank evaluation in 1996 recommended replication of the project concept globally. In recognition of the project's performance, a total of $11 million was made available by a wide range of donors, of which $5 million was for credits. The experiment is now leading to the development of a rural banking system.

In the Maghreb region, a regional project was launched to establish business development services, combining institutional capacity building and direct assistance to the communities. In Madagascar the ILO helped to establish a private sector agency which promotes private investment and assists in the creation of micro- and small enterprises in all regions of the country. In its first two years of operation it has helped create more than 5,800 rural and urban service and production enterprises, while more than 25,000 entrepreneurs have benefited from consulting services and business training.

The ACOPAM programme, which provides organizational and cooperative support to grass-roots initiatives, was originally designed to combat the effects of the drought in the Sahel region in Africa. It has been one of the ILO's most successful employment and income-generation programmes and has shown clearly that programmes are effective when they are based on integrated strategies comprising training, skills development and financial services with a local focus, bringing together the key stakeholders to develop strategies adapted to local conditions and opportuni-

ties. Operational in Burkina Faso, Mali, Mauritania, Niger and Senegal, ACOPAM has developed a methodology based on organizing people at the grassroots level into cooperatives to improve their food security and living conditions, particularly through joint land management and irrigation schemes, cereal banks, the marketing of products and savings and credit schemes. Through its pilot activities alone, ACOPAM has enabled some 40,000 people to become self-employed particularly through cereal banks. The programme has had a particularly important impact on the employment of women. Similar strategies have been applied in Mozambique and Bulgaria. In Central America the PROMICRO project has provided support to micro-enterprises in the informal sector in Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama, strengthening associations of micro-enterprises, improving their access to information and disseminating innovative approaches for the promotion of micro-enterprises.

Cooperatives continue to play an important role in employment promotion and poverty alleviation, both as production enterprises — mainly of the self-employed — and as providers of services to members. In the developing world, approximately 460 million persons are members of at least one type of cooperative enterprise, while the figure is approximately 180 million in the developed market economies.

An important element in technical cooperation programmes has been the creation of an environment conducive to the development of cooperatives. This was particularly relevant in countries in which, under previous regimes, cooperatives had specific economic or political functions on behalf of governments. The interregional COOPREFORM programme, funded by DANIDA, has provided assistance to policy-makers to create a favourable climate for cooperative enterprises by formulating legislation which encourages the development of autonomous and viable cooperatives.

In Kenya, ILO assistance led to the adoption by Parliament of a sessional paper on the promotion of the informal sector. In the United Republic of Tanzania, ILO support for a review and reformulation of important areas of legislation has improved the capacity of micro- and informal sector enterprises to develop and generate jobs. A programme undertaken in partnership with central banks in 15 African countries has resulted in an improvement in the policy framework for micro-finance institutions. Nearly 2,500 village banks and savings cooperatives in the subregion, with over 715,000 members, have collected $5 million in deposits from some of the poorest members of society. These village banks are the only source of financial services for most households and enterprises.

Micro-finance for employment generation

Over recent years, the issue of micro-finance has considerably influenced the way policies and programmes for employment creation and poverty eradication have been designed and implemented. Grameen Bank and its replications — BRI Unit Desa, ACLEDA and BancoSol, to name just a few — have shown that it is possible to lift large numbers of the destitute out of poverty and give them a sense of pride and relative autonomy.

ILO technical cooperation programmes have focused on capacity building, applied and policy-oriented research and dissemination of best practices. The following activities have been carried out in partnership with central banks in Africa, under the PA-SMEC programme: maintaining data banks; staff training; draft legislation; policy dialogue; and hands-on technical advice.

Social Development Funds (SDF) can provide the necessary start-up capital in situations in which the banking sector is unresponsive to workers laid off after structural adjustment programmes. Where such micro-finance windows within SDF exist (as in some 25 African countries) ILO, in cooperation with the African Development Bank (ADB), has sought to transform direct lending mechanisms into a comprehensive, wholesale mechanism which has a better chance of reaching out to larger numbers of eligible people through suitable banks, NGOs and village banks.

A large number of support NGOs and self-help organizations of micro-entrepreneurs operate guarantee funds. However, funds management is poor and often the guarantee capital vanishes after a few years. ILO is continuing with a second phase of an interregional management training programme that will enable the owners and managers of such guarantee funds to run their operation more transparently.

More targeted programmes for employment and poverty alleviation

Women in development

The activities and programmes outlined in this section relate to employment and economic reform, women entrepreneurs, and social safety nets. The ILO has launched an International Programme on More and Better Jobs for Women (WOMEMP). This programme has been described in detail in the section on global programmes.

Gender, employment and economic reform

Programmes undertaken in this field were aimed at enhancing the ILO constituents' capacities to develop policies and design targeted programmes that promote gender equality in access to employment and combat the feminization of poverty. These activities might be viewed as part of ILO's contribution to the follow-up action to the Fourth World Conference on Women, held in Beijing in 1995. The focus has been on five substantive areas of work:

(1) Gender-sensitive policies for promoting employment and combating poverty

Technical cooperation programmes in this area focused on capacity-building activities. Particular mention should be made of the capacity-building programme on gender, poverty and employment, developed to respond to the number one critical issue identified in the Beijing Platform for Action, i.e. the feminization of poverty. This programme draws lessons from more than two decades of practical experience with targeted employment promotion policies with a particular focus on poor and disadvantaged groups. It also provides sophisticated types of action to be initiated in various technical areas and promotes a multidisciplinary approach, combining policy reform with direct targeted programmes in the three areas of employment promotion, organization building and social protection.

(2) Integrating a gender perspective in the policy agenda on macroeconomic reforms and structural adjustment programmes

Activities initiated under this programme at the country level responded to an important lacuna in the debate on the impact of the economic reforms and structural

adjustment measures on women's employment and equality — and hence on the appropriate policies to mitigate possible negative effects and to promote effective use of new opportunities created. Depending on the socio-economic context and specific priorities at the country level, three types of programmes were initiated in five countries in Asia and Africa (India, Sri Lanka, United Republic of Tanzania, Zimbabwe and Côte d'Ivoire).

(3) Initiating and institutionalizing tripartite social dialogue on the topic

Promotion of tripartite policy debate on gender, employment and economic reforms, often for the first time at the country level, was facilitated through the organization of workshops and open forums for discussion. This was generally followed by the establishment of specific task forces and networks to pursue the dialogue initiated and to implement the priority actions identified.

(4) Adopting a priority plan of action

In almost all cases, policy dialogue resulted in the adoption of action plans identifying priority areas for data collection, legislative reforms, employment promotion in specific sectors and social protection measures. Memoranda of understanding were signed and provided a framework for ILO's assistance in the implementation of the activities identified.

(5) Data collection and dissemination

Lack of accurate data on the impact of economic reforms and specific sectors or groups of the population has been a major bottleneck in developing appropriate policy responses. Collection of information and data, undertaking specific research studies and surveys, were thus important elements of the technical cooperation programme.

Women entrepreneurs

Activities designed specifically for women entrepreneurs have included the recently completed programmes on Women's Entrepreneurship Development (WED) and Economic Empowerment of Women (EEW). Between 1994 and 1997, the WED project was implemented to promote entrepreneurship among women in small and cottage industries in five Asian countries. Technical assistance was provided to 15 national organizations, which in turn provided support to women's entrepreneur target groups. Training programmes were organized to develop the capacities of local trainers and resource persons and a manual was published on entrepreneurship development for women. Demand for the manual was such that a commercial version has now been published. Studies were also carried out on the status of women's entrepreneurship. The constraints and opportunities were identified and a number of policy recommendations formulated.

Social safety nets, employment promotion and poverty reduction

In a number of countries, social safety nets are once again being considered as an instrument of social policy to redress the effects of economic crises and downturns and cope with the repercussions of structural reforms and transition to market economies

on the most vulnerable sections of society. An ILO action programme, Economic reforms and structural change: Promoting women's employment and participation in social funds, undertaken in the 1996-97 biennium, provided the opportunity for an in-depth analysis of the experience of social funds in seven countries in Latin America and in Africa. This evaluation highlighted a number of shortcomings: insufficient social dialogue prior to and during the operation of social safety nets; the limited role of employment promotion programmes within the investment portfolio of the funds; and the limited outreach to women. The guidelines developed on the basis of this evaluation paved the way for intensive dialogue at the national level, and within the international donor community, the World Bank and regional banks, as to the appropriate design of social safety net programmes.

Employment and social protection of social groups

Homeworkers in the global economy

The increasingly informal nature of employment and the rapid growth of atypical forms of employment such as home work, have created the need to develop new approaches to social protection for these "invisible" groups of workers which are difficult to reach. Under pilot technical cooperation activities in Asia and in Latin America, a two-pronged approach was adopted; this not only set out to maximize the employment potential of the sector but also to devise innovative social protection measures. Activities included data and information collection, which provided the basis for tripartite discussion and the adoption of national action plans. This work contributed to: the creation of an institutional framework for social dialogue at the national level; the formulation of national development policies for this sector; and the enhancement of the socio-economic status and capacities of homeworkers.

Support to self-reliance of indigenous and tribal peoples through self-help and cooperative approaches: ILO-INDISCO programme

Inspired by the Indigenous and Tribal Peoples Convention, 1989 (No. 169), and in an attempt to contribute to the efforts of the United Nations family during the International Year for the World's Indigenous People (1993) and beyond, the ILO launched an interregional programme to support self-reliance of indigenous and tribal communities through cooperatives and other self-help organizations (INDISCO) in 1993. The programme aims at strengthening the capacities of indigenous and tribal peoples, helping them to design and implement their own development plans and initiatives, and ensuring that their traditional values and culture are safeguarded. It has 20 projects in ten countries in Asia, Africa and Central America funded by a group of donors including DANIDA, Netherlands, CIDA, the Arab Gulf Programme for United Nations Development Organizations (AGFUND), UNDP, WFP and Rabobank.

Working with indigenous and tribal peoples through their traditional institutions, cooperatives and self-help organizations, INDISCO projects have successfully put into practice innovative approaches directed towards the preservation of the resource base of indigenous and tribal peoples. These have included: cost-effective and sustainable water harvesting systems; plant nurseries to regenerate forests; biogas plants; and dairy schemes. More than 1,000 traditional jobs have been secured through income-generat-

ing schemes and as a result of financial support from community-based revolving funds. More than 12,000 men and women have been trained in technical fields, using local experts and specialists, on various income-generating schemes.

A major lesson learned from this experience has been that any development initiative for indigenous and tribal peoples needs to assess the social organization of indigenous groups and preinvest significant efforts in skills acquisition and capacity-building. Preinvestment in training and capacity building is the most urgent need, not project financing. Only through human resource development and institutional strengthening will indigenous and tribal peoples be able to take over their own programmes.

Employment and poverty challenges following armed conflicts

The successful reintegration of ex-combatants is a key factor for the stability of post-conflict countries. The ILO has worked in this area in Mozambique and Angola. In Angola, a project launched in 1996 with funding support from UNDP, Netherlands, Norway and Sweden, successfully tested a decentralized strategy involving innovative approaches and institutional mechanisms which have been effective in reducing training costs. Of the 14,000 ex-combatants targeted for training, more than 42 per cent have been signed with local training centres.

In Mozambique the ILO designed a skills and entrepreneurship training project for demobilized soldiers and assisted the Ministry of Labour in its execution between 1994 and 1998. This project combined accelerated vocational training, the provision of tool kits and basic business skills training to facilitate the access of demobilized soldiers to employment — especially self-employment. It also included a micro-enterprise component to help demobilized soldiers with viable business ideas to start their own enterprise by assisting them in the preparation of a business plan and facilitating their access to micro-credit schemes. Some 10,000 demobilized soldiers were trained under this project, of which over 70 per cent became (self-) employed in a sector related to their training. On average, their income was considerably higher than the minimum wage. The project also assisted in the creation of some 750 micro-enterprises. It succeeded in establishing a technical capacity in the Ministry of Labour to apply the project methodology on a wider scale to other target groups.

Training of workers with disabilities for employment

During the 1993-97 period there was a targeted strategy to promote the inclusion of persons with disabilities into mainstream training and employment programmes. This approach was totally in line with the Vocational Rehabilitation and Employment (Disabled Persons) Convention, 1983 (No. 159), which advocates the promotion of "employment opportunities for disabled persons in the open labour market" and states that "equality of opportunity and treatment for disabled men and women workers shall be respected". The Convention and its accompanying Recommendation (No. 168) have been valuable legal instruments for the ILO technical cooperation programmes encouraging the inclusion of people with disabilities into mainstream structures.

Research, advisory services and consultations with member States have shown that general training and employment services need to be adapted considerably to cater to persons with disabilities in order to ensure their integration, wherever possible, into

open training settings and the open labour market. A large number of technical cooperation projects were implemented to ensure equal access of workers with disabilities to training and employment. An example of one of these at national level is a project on vocational training and micro-enterprise promotion for demobilized soldiers started in Angola in 1996. This project has been using a mainstreaming approach to integrate ex-combatants with disabilities in business and vocational skills training and in its toolkit distribution. In Yemen a project has helped upgrade the existing rehabilitation services in the country by improving the staff competence and developing initial community-based rehabilitation services.

There were also, during the period under review, several regional or subregional technical cooperation activities. A case in point was a project on the mainstream integration of persons with disabilities in vocational training institutions, which increased the capacity of vocational training centres in Brazil, Bolivia, Colombia, Mexico and Uruguay to integrate trainees with disabilities. A major output of the project was the production of a capacity-building training package with 12 modules for different target groups on ways to integrate persons with disabilities into vocational training programmes.

At this point it may be mentioned that RBTC resources have been instrumental in enhancing the technical cooperation activities in this area. Operational and analytical work carried out during the period under review have consolidated recognition that the ILO is a centre of excellence, capable of providing the most recent thinking and policy advice to its member States. A well-balanced interaction between regular budget programmes research and technical cooperation therefore clearly reinforces ILO's capacity as a catalyst for change in a given field.

Drug and alcohol subprogramme

In close partnership with the United Nations International Drug Control Programme (UNDCP), a number of projects were initiated and implemented by the ILO. The focus of technical cooperation projects in Asia and Africa was on rehabilitation and social reintegration of recovering persons. Around 200 social workers, counsellors and rehabilitation officers from over 20 countries received specialized training. This project has successfully combined the strengths of the ILO, UNDCP, international and regional partners and is a model that lends itself to easy replication in other regions and fields of activity.

The Resource Centre on Drugs and Alcohol in Harare, established with ILO/UNDCP collaboration, has proven to be a model appropriate for Africa. With Norwegian funding the model has already been replicated in Malawi, Namibia, United Republic of Tanzania and Zambia. Similar centres are also to be set up in Mozambique, Swaziland and South Africa under a new project currently being finalized. The key elements in what has evolved into a sustainable programme have been its community-based emphasis, mobilization and utilization of existing community services and close links to the corporate world.

Thoughts on some future programmes on employment and poverty alleviation

Persistently high levels of poverty, unemployment and underemployment, a reversal of gains made in employment and poverty alleviation in countries affected by crises

of various types, and social exclusion are compelling reasons to pursue technical co-operation in this field. ILO's ongoing work, including the Country Employment Policy Reviews (CEPRs), provide a sound basis upon which to build.

In the case of poverty alleviation, the ILO's intervention should continue at two levels: poverty-reducing job-creation strategies and policies; and programmes of direct job creation for the poor. As regards employment, CEPRs should result in specific action programmes at country level. Modalities for collaboration with and assistance to partners outside the ILO constituents also need to be put in place.

At the level of direct job creation, two types of programmes spring to mind: wage employment through labour-intensive infrastructure programmes; and self-employment. In the first case, the ILO has demonstrated its expertise and comparative advantage through years of work. This capacity needs to be reinforced and consolidated. Considering the vital role of the private sector in the promotion of employment and the elimination of poverty, future activities will need to aim at strengthening the capacity of member States to design and implement policies and programmes that promote and facilitate the creation of productive and sustainable quality jobs, particularly in small enterprises and cooperatives — in both the formal and informal sectors.

Given the complex implications of globalization for national economies, the integration of a gender perspective in economic and social reform agenda and in social safety nets, particularly as regards equality of access to employment and equal terms of employment, will continue to pose highly important challenges for the ILO constituents. The ILO has successfully engaged social partners in several countries in policy dialogue and action on women's employment in the context of economic reform and crises; and on the promotion of employment opportunities as the principal means for eradicating poverty. Building national capacities will be imperative.

With respect to human resource development, the retraining of retrenched/redundant workers, continuous skill upgrading and diversification, increased coverage of women, training for self-employment and informal sector are all areas for future work.

Past experience shows that crises of various types (those caused by financial and economic factors, natural disasters such as floods and cyclones, man-made disasters such as war, etc.) can reverse even solid gains made in employment promotion and poverty alleviation. In the case of countries at low levels of development, such crises only tend to aggravate an already fragile situation. The ILO should be able to respond to such short-term requirements for assistance. What is needed is the capacity to act quickly (including a minimum resource base of its own), an innovative approach combining various elements of intervention into a package, and a mechanism to launch such assistance. Careful thought needs to be given to the creation of such a capacity.

Democracy and human rights

One of the major priorities of the ILO during the period under review has been to provide support for democracy and fundamental workers' rights; this priority has been strengthened with the adoption of the Declaration on Fundamental Principles and Rights at Work and its Follow-up at the 86th Session (1998) of the Conference.

In its resolution on technical cooperation adopted in 1993, the ILO reiterated that its action to promote democratic and representative institutions, consistent with the relevant international labour standards, should be in the forefront of its concerns. Consequently, technical cooperation has been in line with the principles underpinning the

fundamental Conventions. These instruments are themselves a basic component in promoting democracy and protection of human rights. In fact, only a small number of ILO standards are classified as fundamental human rights Conventions; however, there are many others, such as instruments on labour administration and labour inspection, which are essential to the full realization of human rights. Others advocate national policies and means adapted to ensure protection of special categories such as women, children and the disabled. In the context of democratization, ILO's sustained support towards the creation and strengthening of employers' and workers' organizations at the national level is a direct contribution to industrial democracy around the world. Democracy is underpinned by the existence and recognition of interest groups in society with whom the State negotiates, thereby avoiding centralization of power. Workers' and employers' organizations represent two important interest groups which contribute to the preservation of democracy; hence the importance of tripartism to the promotion of democracy. In many countries, trade unions and employers' organizations have at times been the only organized elements of the civil society contributing to the establishment and restoration of political democracy. The Office provides assistance for the implementation of the ILO's principal instruments in this area.

Focus of activities

During the period under review, direct assistance was provided for the implementation and ratification of international labour standards relating to democracy and fundamental human rights. Member States were helped to adjust their law and practice to the requirement of these instruments and to eliminate immediate obstacles to their ratification. Where early ratification has not been possible, the Office has assisted governments to understand more clearly the obstacles to ratification so that they might plan for the measures needed to overcome them.

Activities undertaken during the last five years also included: providing support to employers' and workers' organizations; promoting social dialogue, industrial relations, labour administration and gender equality; and strengthening the tripartite institutions in Africa, Asia, Latin America, Europe and the Arab States. Priority was given to combating discrimination in all its forms, more particularly to the protection of vulnerable and disadvantaged groups, the promotion of equality in employment for women and the protection of migrant workers.

An attempt has been made in the following paragraphs to give a clear idea of the major programmes with a focus on democracy and human rights; they are presented under four headings: workers' activities; employers' activities; industrial relations and labour administration; and gender equality. Technical cooperation activities directed specifically to implementation and ratification of standards are described separately in the last section of this chapter.

Workers' activities

Workers' organizations are prominent actors in the defence and promotion of universal respect for democracy, basic human rights and social justice. As essential partners in tripartite dialogue, the major function of trade unions is to translate the aspirations of workers into coherent and structured strategies and actions at the national, regional and international levels. Where trade unions are well established and operating

freely, they constitute a major guarantee for the continued democratic functioning of society and have often been the main force behind the democratization of society.

However, the application of standards is not only the ILO's major tool for the protection of workers and the promotion of basic human and trade union rights; it is also a prerequisite for stable industrial relations, economic development and fair international competition. Technical cooperation assistance provided to workers' organizations has addressed the promotion of international labour standards and stressed the use trade unions might make of ILO mechanisms to further the application of these standards. Emphasis has been placed on a selected number of standards of particular importance to workers: forced labour, freedom of association and the right to collective bargaining, rural workers' organizations, tripartite consultation, discrimination, equal remuneration and child labour.

ILO technical assistance to its worker constituents has focused on the development and strengthening of independent, democratic and representative trade unions with a view to increasing their capacity in defending and furthering their members' interests, living and working conditions, and effective participation in tripartite dialogue.

Technical assistance has been provided to train trade union leaders in organizational development and modern and democratic management methods, including the application of strategic planning. Training in communication techniques, information technology and distance-learning programmes was also dispensed to educators and administrators.

Globalization, regional economic integration, deregulation, privatization and the introduction of structural adjustment programmes — often without any consideration to their social consequences — have had a direct impact on the world of work and have required an effective and appropriate response from workers' organizations. In order to mitigate the most undesirable effects, trade unions have been required to: develop the necessary capacity to undertake transnational collective bargaining with multinational enterprises; establish linkages and common campaign strategies on social and labour issues, including the social dimension of the liberalization of trade work for the implementation of codes of conduct for major enterprises and their suppliers; exercise pressure for the adoption of social and labour charters to complement regional free trade agreements; and exchange information and establish common databases.

Assistance to the worker constituents has been provided in the form of advisory services, research, information dissemination and training activities emphasizing the ILO's Tripartite Declaration of Principles on Multinational Enterprises and Social Policy and relevant ILO standards. Special attention has been paid to assisting workers in export processing zones, where basic trade union rights are often severely restricted and the enforcement of national legislation inadequate.

A large share of the labour force in developing countries consists of rural workers who tend to be poorly organized and open to exploitation and harassment; women account for a significant proportion of these workers. Substantial assistance has been given to rural workers' organizations to help them strengthen their capabilities to organize, defend their members' rights and provide basic services to the membership.

As regards activities to eliminate child labour, assistance to trade unions has consisted in helping them specifically address the problem, often by means of campaigns of ratification of the Forced Labour Convention, 1930 (No. 29), and the Minimum Age Convention, 1973 (No. 138). This assistance has been provided through close collaboration between the trade union movement and the ILO's International Programme on

the Elimination of Child Labour (IPEC). In addition, educational materials have been developed, awareness-raising activities carried out and support provided for the efforts of trade unions in this respect.

Orientation for the future

For many years to come, most trade unions, especially in developing countries, will still face the need to improve their basic organizational structures; furthermore, the continuous turnover in membership and changes in leadership at various levels will require a major element of basic workers' education programmes. Capacity building and the development of trade union's educational structure will therefore continue to be a cornerstone of direct assistance to workers' organizations.

At the same time there has been an increasing demand by workers' organizations for assistance in non-traditional areas — of which globalization and the informal sector are two such issues. However, trade unions are increasingly expected to express their views and take action on a wide range of issues that directly or indirectly affect the working and living conditions of workers.

This means that while long-term planning can be exercised for the substantial part of assistance delivered for capacity building and basic workers' education programmes, there is a need, at the same time, for programmes that are both easily adjustable and able to be developed dynamically in order to assist trade unions to respond to economic and political development and the resulting issues that affect workers' lives.

In addition to facing the same rapid changes as other trade unions throughout the world, workers' organizations in transition countries have also had the task of redefining their roles; indeed, they have been confronted with new and often unknown challenges such as collective bargaining, unemployment, social protection, the handling of grievances, organizing techniques and the impact of private sector activities — all of which constitute important building blocks in the process of establishing and consolidating genuine democracy in transition countries. Special attention has to be paid to address the special requirements of trade unions in these countries.

In many countries the proportion of trade union members in the labour force has been declining over the past decade. Although numbers alone are not the only aspect to be taken into consideration, trade union density is a decisive factor in trade unions' capacity to promote democracy and basic human rights effectively and to defend and further their members' rights and interests. While it is important to have well-adapted organizational structures and effective management, it is also necessary to promote, as a priority trade union activity, organizing campaigns and techniques which historically were a driving force in the development of trade unions.

Finally, given the pivotal role of the Declaration on Fundamental Principles and Rights at Work and its Follow-up, activities will be undertaken to enable trade unions worldwide to analyse the relationship between economic development, trade and observance of human rights.

Employers' activities

The work of the ILO in this area has consisted of promoting the capacity and growth of independent, representative and strong employers' organizations to enable them to engage in meaningful and effective bipartite and tripartite dialogue.

With the onset of globalization and deregulation, and the consequent rapid changes in the business environment, it became clear during the first few years of this decade that employers' organizations would have to reassess their role and services to cater to the changing needs of their members. In order to make this reassessment, the ILO decided that a way should be found to ascertain the needs of the private sector on a continuing basis. It was felt that the most effective means was to collaborate with employers' organizations and help them develop strategic plans which would identify their specific development paths more clearly, encompassing both national and regional perspectives. This strategic approach, followed up by actual plans, was introduced in all the regions — with a fair degree of success. In terms of technical cooperation, the process resulted in a much clearer perspective of those ILO interventions which would be most effective in contributing to strengthening the organizations in question and thus identifying where its resources should be directed.

Technical cooperation to promote sustainable and effective employers' organizations' development needs to be built around four key areas: first, it must provide a clear vision of what the organization is trying to attain and a plan to translate this vision into reality; second, it must have staff with the requisite knowledge and skills; third it must have at its disposal an up-to-date information and knowledge base with the means to analyse and apply such information and knowledge; and fourth, it must provide services to meet the needs of enterprises.

A priority in this regard is staff development; indeed, the quality of the staff in an employers' organization affects its professionalism, its core competencies, its potential to attract new members and its capacity to generate new sources of income. During the last five years, more particularly since the mid-1990s, greater emphasis has been laid on the development of the staff in these organizations. For instance, the Latin American Institute for the Management of Employers (ILGO) continued to benefit from an annual training programme on management subjects specially designed for the executives of employers' organizations. A part of the cost was met by the employers' organizations themselves.

In the area of service development and information networks, the Palestinian Federation of Chambers of Commerce, Industry and Agriculture received assistance to establish an information network, consisting of surveys and the publication of a business directory and a biannual magazine. A number of organizations (as was the case in Mongolia) were helped to develop business support services to small enterprises on matters such as preparing business plans.

In response to the increasingly proactive approach adopted by employers and their organizations in combating child labour, the ILO played a significant role in the identification of strategies and the mobilization of action by employers at the international, regional and national levels, particularly in Bangladesh, Bolivia, Brazil, India, Kenya, Nepal, Pakistan, Philippines, United Republic of Tanzania, Turkey and Uganda. Support was provided to the International Organization of Employers (IOE) for the preparation of a handbook on child labour; policies on child labour were also adopted by employers' organizations in Peru, Colombia and Kenya. A project on child labour with selected employers' organizations in Latin America and Africa is now under way.

The role of employers' organizations in the field of industrial relations continues to be a vital aspect of the ILO's work, given that globalization has impacted on national

industrial relations systems and resulted in greater emphasis being placed on workplace relations at the enterprise. It is becoming increasingly important for employers to develop a strategic perspective of employment relations, in other words to determine how they might contribute to productivity, quality and competitiveness and the establishment of a sound system at both the enterprise and national levels — the latter being a significant component of an efficient labour market. A number of programmes on industrial relations issues have focused on the impact of globalization on industrial relations and on ways to develop strategic perspectives of industrial relations by, for instance, linking it to productivity and competitiveness.

Orientations for the future

Technical cooperation activities will continue within the framework of more focused medium- and long-term cooperation plans between the ILO and the constituents.

In economies in transition, the enabling regulatory environment which provides the checks and balances in a market economy are not yet functioning adequately. In many such countries the private sector is still in an embryonic stage or the process of privatization is slow, while political or economic instability has been disruptive. There is considerable work to be done by both the employers' organizations and the ILO to position the former to assume a pivotal role in socio-economic development during this and the next decade.

Given the fact that better qualified and well-trained staff are critical for organizations to adapt to the needs of enterprises, and since there are no institutions as such catering to the development of the staff of employers' organizations, employers' activities will continue to focus on staff development, partly through the cooperation of developed organizations. This does not discount the need for the organizations themselves to pay particular attention to recruitment and retention policies and to on-the-job training.

The following represent some of the issues and challenges which will need to be addressed in the future:

— establishing strategic partnership and alliances with other institutions such as universities, training, productivity and management institutions;
— increasing the representative character of employers' organizations for more effective policy lobbying and income generation. Towards that end employers' organizations will not only have to develop value-added services to persuade more enterprises into membership but also identify the type of services which would be attractive to new enterprises such as joint ventures;
— improving the financial base of the employers' organizations which would allow for recruitment and retention of qualified staff and an improvement in services or upgrading existing ones;
— enhancing their capacity to influence human resources development in their countries by having an impact on the country's education and training policies;
— developing advisory capacity on workplace relations issues;
— producing new products (tools) in training for employers' organizations and materials to be used by them in advisory and other related activities;
— undertaking activities related to the Declaration on Fundamental Principles and Rights at Work and its Follow-up.

Industrial relations and labour administration

While a major economic function of industrial relations is to determine the price and quantity of labour, its social and political function, which is to establish democratic machinery governing the employment relationship, tends to predominate.

The Office provides assistance and advice in the broad areas of labour law reform, and that of promoting recourse to collective bargaining and social dialogue on the process and the means of achieving better industrial relations. Through its work with ministries of labour in strengthening their labour policy formulation, labour administration capacities and labour inspection functions, the ILO works with member States, seeking to ensure that labour legislation is enforced and respected.

Major functions of labour law are to establish certain common rules of the labour market, to regulate the employment relationship and to uphold individual and collective rights of all the players in the labour market. Member States increasingly request help in revising their labour law, either when undergoing a transition to democracy or in undertaking structural adjustment programmes. Under these circumstances, the legislative framework no longer tends to correspond to political and socio-economic reality. The Office has therefore provided assistance in the elaboration and reform of labour legislation in a large number of countries, particularly those characterized by developing economies and economies in transition.

Progressively, the Office has moved away from "assistance" to "cooperation", or from a "technocratic" approach to a more "participatory" one. "Cooperation" implies a closer, more interactive process with the constituent government and its social partners. This is a more difficult and complex — but clearly more effective — approach, because it can ensure that the tripartite constituents are truly committed and that the draft legislation proposed is more likely to be adopted and implemented. This approach involves several short missions to the country by the expert, greater involvement of regional and national consultants and more meaningful consultations with the social partners. The proximity of the multidisciplinary teams has proven to be a positive asset in this process.

An example of such an approach is the tripartite task force established to review labour legislation in the democratizing Republic of South Africa very soon after the elections in 1994. A new labour code was drafted in record time. Similar approaches have been adopted in Egypt and in a large number of Central and Eastern European countries. A notable recent example is cooperation with the Russian Federation on the reform of civil service legislation.

Legislative activities are complemented by the use of tripartite seminars which allow the social partners to come together at an early stage. In many instances, these represent the first steps in a process of open dialogue in societies that have just embraced democracy. Virtually all the Central and Eastern European countries have benefited from such seminars. Countries in different subregions of Africa and Latin America have also held such seminars at different stages of their transition towards democracy.

Another important area of innovation has been greater recourse to regional expertise and information from countries with similar experience. This has been the norm in some programmes carried out over the years in the Association of South-East Asian Nations (ASEAN). More recent examples of projects that have used the method of learning from countries within the region or subregion include the MERCOSUR

(Southern Common Market) project on labour relations in Argentina, Brazil, Paraguay and Uruguay. Countries in Central and Eastern Europe have also drawn lessons from other countries in their subregion which have had particularly noteworthy experiences in reforming their industrial relations systems.

A project on the promotion of social dialogue in French-speaking African countries was carried out at a time when the nature and form of relations between the three social partners were changing — alongside the transformation of the one-party State. The countries in this project have benefited from international expertise and information on social dialogue on social and economic issues to such an extent that the project is leading to an institutional transnational forum for the promotion of social dialogue.

The project for the prevention and resolution of conflict and the promotion of workplace democracy in South Africa provided training to a large number of mediators, conciliators and arbitrators. This project was carried out in a context in which the resolution of conflicts had not been limited to traditional workplace issues and had major racial and class overtones. As such, it contributed greatly towards bolstering national efforts to promote democracy and human rights in South Africa. This successful experience has led to other Swiss-funded projects for improving labour relations in southern Africa.

Labour administration systems in member States are the administrative arm of governments for the preparation, implementation, coordination, enforcement and review of labour policy, employment policies and programmes, human resources development, industrial relations, and information and research on labour matters; they are thus expected to respond to the many rapid changes taking place in the world of work, often with limited financial and human resources.

The Office is paying increasing attention to the organization and management of ministries of labour. During the 1996-97 biennium, institutional and management capacity-building programmes took off.

Assistance provided to constituents included a series of "audits" of ministries of labour and labour administration systems. These exercises were carried out in countries in Latin America, sub-Saharan Africa, and Eastern and Central Europe. These exercises often led to the development of proposals for specific technical cooperation projects to assist in the implementation of reforms, capacity-building activities and training of the labour administration staff.

Support was provided to member States in the form of technical advisory services in Brazil, Chile, Niger and Yemen, and through national technical cooperation projects in Azerbaijan and Bulgaria. The assistance provided to the Baltic States and Slovakia produced some encouraging results, as the focus was widened from labour inspection and safety and health issues to broader employment policy issues.

Labour inspection is one of the most important instruments available to member States for the development of a culture of prevention, not only in terms of occupational safety and health but also with regard to the enforcement of fundamental human rights of workers, industrial relations, employment, and general conditions of work. It can be instrumental in the institutionalization of a national machinery for social dialogue and democracy. Experience with labour inspection systems has shown that a shift from a relatively rigid concept of reactive control to one of anticipatory prevention almost invariably leads to substantial progress.

Indeed, the ability of many labour administrations to operate efficient and effective labour inspection services, as defined by the relevant international labour standards, is

still quite limited and their scope is often confined to larger establishments in the formal sector. Extensive technical support therefore continued to be provided to countries in Eastern and Central Europe to assist in the development of modern labour inspection systems.

Technical assistance was provided to a number of countries, including Albania, Jordan, Lebanon, South Africa and Viet Nam, as well as in the occupied Arab territories, to help in the development of public employment services.

A more relevant approach for the twenty-first century: Critical issues

How might better synergy be promoted between the Office and its constituents, as well as within the Office, in order to respond more effectively to the needs of member States? Some ideas that could be pursued are listed here below:

— Should attempts to reform labour legislation and promote social dialogue continue to be carried out alongside those efforts of the Office associated more with employment promotion and poverty reduction, or should greater attempts be made to dovetail these efforts? Should the provision for commenting on draft labour legislation remain as it is, largely a matter between the Office and national governments, or should it be opened up in different ways to allow greater involvement of the social partners? Once the Office's role of drafting and submitting proposed legislation to member States has been completed, what are the prospects for ensuring greater consultation between the government and its social partners on the remaining work of discussion of the draft and its adoption?

— The Organization, as well as its constituents, may face criticism from some circles that the "net" of labour market regulation is limited to the small, organized sector. How should we analyse the prospects for spreading this protective net, as well as the coverage of labour relations, to groups, types of employment contracts and work arrangements that are not covered?

— The erosion of the State's role, and in particular that of ministries of labour, and the increasing difficulties faced by employers' and workers' organizations in attracting and retaining members, are well known and documented. Under these circumstances, the viability and relevance of tripartite and bipartite forms of labour relations are at risk. It is therefore necessary to review and strengthen these mechanisms within a broader framework for the generation and reform of social institutions.

Gender equality

Women and gender-specific activities with a focus on democracy and human rights remained a high priority for the ILO during the period under review. The work carried out under two major regional projects illustrates this well. The first, Training and information dissemination on women workers, was carried out in nine countries in different regions (China, Egypt, Hungary, Mali, India, El Salvador, Suriname, Viet Nam and Zimbabwe). The outputs included the setting up of National Tripartite Steering Committees, the adoption and implementation of National Plans of Action to promote women's equality of opportunities and women workers' rights, the adoption of an ILO training package on women workers' rights and national conditions and needs, and the establishment of a group of trainers and resource persons. The lessons

learned included the need to tailor programmes on dissemination of women workers' rights in the informal sector.

The second project, Gender training for ILO staff and constituents, focused on the capacity building of the ILO's own staff, and those of the constituents, in women workers' rights and other gender-related issues through training and production of training materials. One of the conclusions drawn from this project was that there was a need to link the training content with the specific work environment of the participants and to evolve action plans at the end of the training activities for necessary follow-up.

Employers' organizations have been contributing in this area by integrating gender issues for the fuller use of human resources for economic and social development at the enterprise level. Current programmes are not only helping to identify and categorize the fundamental problems affecting gender equality, but are also helping to lay the groundwork for equality practices at the workplace. Responses from employers' organizations have ranged from national workshops to raise gender awareness; survey reports to identify the obstacles; and plans of action and in-house policies to promote equal opportunity policies at the workplace — especially in Africa (Swaziland, Lesotho and Mauritania) and Asia (Bangladesh and the Philippines). Technical assistance was also provided in the form of "gender guidelines" — training materials written by employers, for employers, on gender equality at the workplace.

Enhancing the bargaining power of indigenous and tribal peoples

In a number of developing countries, the deregulation and privatization of the energy and oil sectors are jeopardizing the employment and development opportunities of many indigenous and tribal peoples. Much of the poverty and social unrest may be attributed to the fact that there are no clear and effective principles and procedures with regard to prior consultation with affected indigenous and tribal communities and a lack of dispute settlement mechanisms and procedures for fair and appropriate compensation and socio-economic rehabilitation.

In conformity with the Indigenous and Tribal Peoples Convention, 1989 (No. 169), technical cooperation programmes in selected countries in Asia and Latin America have focused on building the capacities of indigenous and tribal peoples' organizations for effective participation in negotiations with other stakeholders. Discussions and consultations were promoted with all partners involved — governments, private and parastatal corporations, and indigenous and tribal organizations — to identify and agree on fundamental principles and requirements, as well as mutual responsibilities and obligations. Technical cooperation programmes also supported a process of networking and organization-building amongst numerous indigenous organizations, for a more effective representation in policy discussions — such as discussions on the sustainable use and management of indigenous ancestral lands. These activities were closely linked to the democratization process and peace-building initiatives in a number of countries.

Summary

The Conference might wish to examine the various options in the field of technical cooperation that would further promote democracy, social dialogue and human rights.

It goes without saying that the Declaration on Fundamental Principles and Rights at Work and its Follow-up will serve as the benchmark for the work of the ILO; however, United Nations reforms which emphasize the human rights agenda should also provide an additional impetus to the Organization's endeavours in this area.

Workers' protection

The protection of working people against work-related hazards and abuses falls within the core mandate areas of the ILO. Countless workers continue to toil under difficult conditions devoid of basic protection. These include: millions of child workers who are denied education and are working in situations that are manifestly dangerous to their health and safety; millions of adult workers engaged in hazardous occupations and industries who are exposed to unsafe machinery, dangerous chemicals, and excessive hours of work and other difficult or dangerous working conditions; workers in the informal sector, in the rural sector, and in small-scale enterprises with no access to basic services or to safety and health protection; women workers who are subjected to various forms of discrimination and unequal treatment; and the many millions of rural and urban disadvantaged workers, including migrant workers, who face discriminatory treatment and are excluded from the most basic forms of social protection.

Reflecting the needs in the above areas, the ILO's technical cooperation activities during the 1993-98 period in the field of workers' protection concentrated on the elimination of child labour, the reduction of occupational accidents and work-related diseases, the improvement of working conditions in small and medium-sized enterprises, the protection of migrant workers and social security.

Working conditions and environment

Technical cooperation activities in the field of working conditions and the environment were aimed at developing the constituents' capacities to identify problems and needs, set priorities, and undertake action. Sustainability of action and the attainment of self-reliance were key objectives of all capacity-building work. The means employed in the different programmes varied, but generally included elements of training, awareness-raising, direct support and technical advisory services.

Several innovative approaches include work under the International Programme on the Elimination of Child Labour (IPEC), the Work Improvements in Small Enterprises (WISE) programme, and the proposed global programme on safety and health at work (SafeWork).

Elimination of child labour

IPEC remains the flagship programme of the Office. This programme and its achievements are described in detail in the section on global programmes.

Improving working conditions and productivity in small and medium-sized enterprises

The WISE programme adopted a number of innovative characteristics aimed at enhancing working conditions and productivity, as well as integrating occupational

safety and health and conditions of work issues within a single operational framework. In keeping with the process of decentralization proposed by the Active Partnership Policy (APP), the responsibility for promoting WISE was transferred to the MDTs. Activities carried out by the MDTs to promote WISE included, among others: awareness-raising presentations; training of trainers' activities; and technical advisory services to counterpart institutions for designing technical cooperation projects. Owner-managers of small enterprises were encouraged to develop low-cost solutions to their own working conditions problems.

The major focus has been on improving working conditions and productivity in small and medium-sized enterprises. These activities are based on the ILO methodology entitled Higher Productivity and a Better Place to Work which takes into account the resource constraints of small enterprises and concentrates on practical advice and the introduction of simple and low-cost improvements linking productivity to a safer and better workplace.

Past WISE activities have targeted not only owners and managers of small enterprises but also labour inspectors, representatives of employers' and workers' organizations, and the staff of productivity centres and of vocational training institutes. For instance, a three-year (1994-96) UNDP-funded project was carried out in the Philippines. The Department of Labor and Employment considered it a "flagship" project and a commitment was made to institutionalize WISE nation wide.

The WISE methodology was also introduced, through the Asian Regional Project on Occupational Safety and Health (1992-95), in Bangladesh, Bhutan, China, Republic of Korea, Malaysia, Nepal, Sri Lanka, Viet Nam and the Philippines. National "facilitators" were trained to organize WISE courses in several countries — many of whom were trained in Manila in collaboration with the trainers involved in the Philippines project mentioned above.

The importance of improving working conditions and productivity in small enterprises was recognized as a major concern in several Latin American countries. Prior to 1993, a WISE project was carried out in the Southern Cone (Argentina, Chile, Paraguay and Uruguay) and two trainers from Brazil were invited — resulting in the introduction of WISE activities in Brazil. Training workshops, funded by RBTC, were organized in Rio de Janeiro, São Paolo and Rio Grande do Sul. Subsequently, the Brazilian Service for Assistance to Micro and Small Enterprises (SEBRAE) launched a two-year project. During the WISE-SEBRAE project, 241 trainers from 15 states were trained, 320 small enterprises participated in intensive two-week training workshops and 16,000 workers found a better place to work. Through RBTC, awareness-raising training courses were also organized in Costa Rica, Cuba, Dominican Republic, El Salvador, Haiti and Honduras.

WISE courses funded by RBTC — and, in some cases, cost-shared with employers' organizations or the government — have also been carried out in other countries such as Indonesia, Mongolia, Nepal, Thailand in Asia; in Ghana, Mauritius, Nigeria, Seychelles, Swaziland, United Republic of Tanzania and Uganda in Africa.

The WISE methodology has also been linked to the Improve Your Business (IYB) methodology developed by the Office. New methodologies based on the WISE approach have also been developed in Asia; these include: Work Improvements in Neighbourhood Development (WIND) and Work Improvement and Development of Entrepreneurship (WIDE).

Lessons learned from WISE

The successful implementation of WISE projects may be attributed to a number of factors: the approach or methodology itself; the availability of solid training materials; the training of trainers component; the identification and commitment of appropriate institutions; and adequate and timely preparatory activities for training programmes.

Certain characteristics of the WISE approach itself have contributed to its success: building on local practice (problems are "real" and solutions geared to the company's capacity for action); focus on achievements (positive examples); linking working conditions with other management goals (understanding that everyday production-related problems are tied to improvements in working conditions); learning-by-doing (all learning linked with action directed at making improvements); encouraging exchange of experience (discussion with other entrepreneurs and visits to each other's premises); promoting workers' involvement (dialogue and harnessing the ideas of the workforce).

The availability of appropriate materials such as the action manual and the trainers' manual has provided the tools for project implementation. The translation of the action manual into local languages (e.g. Bahasa Indonesian, Chinese, Portuguese, Thai, Vietnamese) by the participating countries has contributed to the success of training activities. The varying types and duration of the programmes (ranging from short awareness-raising workshops to longer comprehensive training courses) have also made it possible to adapt the approach to local capacity, needs and conditions. Furthermore, involving WISE "graduates" in awareness-raising and training activities has contributed to the acceptance of WISE by potential beneficiaries and resulted in additional training for previous participants.

The identification and commitment of appropriate institutions has been essential, as illustrated in the case of the Philippines and Brazil. Yet, identifying an appropriate counterpart institution has been one of the main problems in implementing WISE.

The WISE programme has required a dramatic change in approach and thinking. In many countries, local trainers in safety and health or working conditions, as well as labour inspectors, have been accustomed to a regulatory, rather than an advisory and solution-oriented, approach. Moreover, rather than facilitating group "discovery" of possible solutions, they also have had a tendency to lecture. All this implied a considerable investment in "unlearning".

Occupational safety, health and the environment

The protection of workers against occupational accidents and diseases continues to be a priority objective of the ILO. During the 1994-98 period the programme activities were mainly directed at: support for national efforts to improve safety and health through, for example, assistance for upgrading inspection and advisory services and for the establishment of national tripartite councils and advisory bodies; enactment of laws and regulations and establishment of appropriate enforcement machinery; provision of improved information services; support for employers and workers in implementing programmes; development of guidelines for the establishment and functioning of enterprise-level safety and health committees; and provision of appropriate training for managerial and supervisory personnel to strengthen their capability to assume responsibility for the safety and health of workers.

Activities during the period covered were undertaken in all regions. In the Arab States, national training workshops and seminars were conducted in Lebanon, Syrian Arab Republic and Jordan, while similar training activities took place at the regional level in Bahrain, United Arab Emirates and Qatar. Special assistance was given to the Palestinian Authority to establish a new directorate on occupational safety and health. In Eastern and Central Europe the most salient feature of ILO assistance was the provision of access to information and networking coupled with modern computer technology (Internet). In Latin America and the Caribbean, various changes at the national level resulted in more attention being paid to occupational safety and health. The Inter-American Research and Documentation Centre on Vocational Training (CINTERFOR), in particular, has played an increasingly active role in accident prevention in the construction sector. In Africa, in addition to country-specific activities, a network was established between occupational safety and health institutions in several southern African countries. Furthermore, training activities were organized to strengthen the involvement of workers' representatives in occupational safety and health matters. Region-wide information was regularly provided in the African newsletter on occupational safety and health, issued as part of a regional information-sharing project funded by Finland. A similar newsletter was regularly issued in Asia and the Pacific. The ILO action programme on safety in the use of chemicals at work in the 1996-97 biennium also made a number of ministries of labour in Asia and the Pacific increasingly aware of the problem.

Considerable importance was placed by some employers' organizations on developing safety and health services. Assistance was provided in this field to employers' organizations in China, Indonesia, Malaysia, Sri Lanka, Nepal, Thailand, Jordan and the Czech Republic. Part of this support consisted of preparing plans to develop safety and health services. In cases in which such plans were already well advanced, as in Malaysia and Sri Lanka, support was provided for their implementation, including the training of focal points and the linking of the organizations to information networks and databases both within and outside the countries. A related programme — the ILO's work improvements in small enterprises for better productivity — was conducted for the employers' organization in Indonesia.

The Office's attempts to move away from its earlier project-by-project approach towards a more programmatic approach have been supported by its development partners. An example of this is the ILO's collaboration with the Danish International Development Assistance (DANIDA) in the area of occupational safety and health. In 1994 DANIDA introduced the term "active multilateralism" in its overall development policy. Under this new policy, DANIDA's multilateral development cooperation with the ILO is guided by the principle that it is the ILO's responsibility to ensure the programming and implementation of DANIDA-funded activities within a number of agreed subjects.

As a result of the new approach, the Danish contribution reached an average of some $1.6 million per year during the 1993-97 period; indeed, it accounted for nearly two-thirds of the total funding available for occupational safety and health activities. The activities covered a large number of countries in the three major regions.

The Office intends stepping up its technical cooperation programme in safety, health and environment. As mentioned earlier in the text a new global programme on safety and health at work, SafeWork, has been proposed. SafeWork is described in more detail in the section on global programmes.

International labour migration

ILO's activities to protect migrants revolve around three basic concepts: the establishment of universal principles to inspire national policies on the treatment of migrant workers; technical assistance to member States on how best to align their policies with ILO standards; and monitoring of migration trends and conditions, and research into the effectiveness of policies in this area. Over the years, technical cooperation has become an important pillar in this protective structure — not least because of the fact that the ILO's Conventions on migrant workers have been ratified by a relatively limited number of member States. ILO's advisory and other technical services have helped broaden acceptance of the principles contained in the Conventions, even where ratification has not been possible.

Protection is broadly interpreted as encompassing needs of migrant workers at various stages of migration, starting from recruitment to the process of migrating, working, and returning from the country of employment. Where migration involves settlement, it also includes questions of integration in the host country. The basic policy issues involved in providing more effective protection of the rights of migrant workers have been elaborated in two manuals published in 1996. By surveying best practices, the manuals provide low and middle-income countries sending and receiving workers with adequate tools to plan and organize their migration policies and institutions, strengthen their legal framework, and make their procedures more efficient. They have so far served as the basis for much of ILO's technical advisory services rendered in recent years to member States.

In early 1996, the ILO launched the Informal network on foreign labour in Central and Eastern Europe in cooperation with the countries of the region. By facilitating bilateral and multilateral exchanges of information and know-how, the network is helping member States to improve their capacities to manage migration, especially with respect to policies compatible with ILO standards and principles. The impact of this project has already been very significant. Fourteen countries share the benefits of this informal network, which has contributed to the launching and coordination of a wide range of studies on the problems of illegal and transit migration in the region.

In the case of Western Europe, it has been observed that settled migrants and ethnic minorities suffer much higher rates of unemployment than those of national workers because of the discrimination they face in gaining access to employment. In order to examine this issue more thoroughly and find solutions, a multi-country project, Combating discrimination against (im)migrants and ethnic minorities in the world of work, was launched in the early 1990s. Under this project, a wide range of activities was supported by funds mobilized from unconventional sources since the issue involved employment in industrialized economies — although the beneficiaries came from developing countries.

The project has been instrumental at national and international levels in raising awareness and providing valuable analysis on the negative impact on society of discrimination against migrant and ethnic minority workers. The ILO's work in this field has brought it recognition as one of the lead agencies in combating discrimination against migrant and ethnic minority workers. This is also reflected in the close collaboration established with the Council of Europe, the European Union, the European social partners and the United Nations High Commissioner for Human Rights.

Future programmes concerning migrant workers

Given the rather successful attempts of the ILO to respond to the many challenges arising from the protection of migrant workers over the 1993-97 period, the Office should concentrate on two major aspects of this area during the coming years. First, the ILO's action relating to migration should be appropriately reinforced in order to be able to cope with the growing significance of global migration issues. Second, future activities should focus more on managing the temporary employment of foreign workers and developing migration institutions in low- and middle-income countries. These should be in addition to the protection *per se* of migrant workers which remains a core ILO responsibility.

Better working conditions and environment: Thoughts for the future

There is a growing need for the development and improvement of workers' protection measures that can respond effectively not only to traditional concerns but also to changing requirements arising from technological, organizational and labour market changes. Indeed, while the provision of "basic" protection remains an ongoing goal of the ILO's activities, what is considered "essential" or "basic" evolves according to changes in the world of work. In other words, the work of the Office should reflect, to varying degrees, both traditional concerns of protection and the need for new approaches to changes in the nature of work and employment relations. Its traditional means remain pivotal — but these need to be complemented by increased application of innovative measures.

There are many fields in which ILO's traditional research and standard-setting initiatives can work in a complementary and integrated manner with technical cooperation activities. These approaches need to be multifaceted and extensive. Efforts should be directed to provide constituents with the necessary support and tools to strengthen their national capacities in order to: eliminate child labour, starting with the worst forms as a priority; extend basic protection, particularly to women, and vulnerable groups such as migrant workers and workers in the informal sector; prevent and reduce occupational accidents and work-related diseases, particularly in hazardous occupations and industries; and develop and implement programmes designed to respond to emerging concerns such as the mental health of workers as well as to new challenges relating to workers' dignity, fairness, working time and organizational patterns. IPEC, WISE and SafeWork are the Office's response to these challenges.

Protection of workers through social security

The ILO technical cooperation programme in social security developed considerably during the 1993-97 period. It will be recalled that, in the 1980s, many developing countries experienced widespread disruption in their social security systems because of economic crises. Often the social security systems were unable to reinforce their programmes. As a result, many categories of workers were left without any social insurance, which was mostly the privilege of salaried workers in the modern sector; even in the case of civil servants, social insurance was far from complete. This crisis of

social security systems was, in many cases, further aggravated by the inadequate functioning of internal structures.

In industrialized countries, social security has also had to face far-reaching changes at both economic and social levels: growth in unemployment, increasing labour flexibility, globalization, and the ageing of populations, have all had — and continue to have — important repercussions for social security systems both in terms of policy and of operating structures. A more recent significant development is the situation faced by countries in transition in Eastern and Central Europe.

Overall context and achievements

During the 1993-97 period the ILO made a deliberate attempt to meet the social security requirements of its constituents. However, the need to solve these problems rapidly, coupled with the limited resources available for technical cooperation, forced the Office to be rather selective. Every opportunity has been taken to draw the attention of national authorities to the negative effects of the lack of transparency in the administration of social security systems and of a standstill in the extension of coverage. Two basic questions were raised before engaging in technical cooperation programmes: Was it still possible to improve the existing social security systems in the face of the serious management, administrative and economic problems? Was it possible to add further charges to systems which could not even perform their current duties?

The development of the work in this period was influenced by a number of factors. First, the Office was faced with various requests to examine the utility of social security systems and advocate a radical reform both in their structure and implementation. In response, the Office carried out a critical evaluation of the relevance of technical cooperation activities related to social security and emphasized the shortcomings, both in the adopted strategies and in the underlying theoretical framework. Second, the presence of a specialist on social security in many of the MDTs has provided the possibility for regular consultations, not only with the ILO tripartite and other partners but also with other actors and, in particular, with international institutions and potential donors. Third, democratization which influenced the development of the work programme. Democratization in many countries has resulted in wider consultations, particularly with the social partners. The determination to solve the chronic problems of poor management of social security systems, as well as the wish to extend protection to larger numbers and to more categories of workers, has stimulated technical cooperation.

In this overall context, technical cooperation activities relating to social security in the 1993-97 period developed along the following broad lines. First, mechanisms were established for consultations with the constituents on the main social security issues in an attempt to reach agreement on how best to meet the requirements of countries, regions and subregions. For example, with RBTC funding, an exercise was undertaken in Pakistan with the Ministry of Labour, federal and provincial social security institutions, and workers' and employers' organizations to review existing social security schemes. This resulted in recommendations for developing a more broad-based scheme, for extending the coverage to a larger number of workers, and for providing increased coverage of contingencies. Second, new impetus was given to analysing the theoretical framework, thus leading to the preparation of a legal framework adapted to

the interaction of different structures. With the aim of better informed decision-making, technical instruments were developed which were more effective and flexible — for example, the actuarial and macroeconomic models for the preparation of national social budgets. Third, attention was given to training of officials of management bodies of social security institutions, often in cooperation with other international institutions.

Attempts to foster closer dialogue with constituents were also reflected in the organization of technical meetings. For example, after the Regional Conference of American States Members of the ILO (held in Caracas in October 1992), a meeting was held in Mexico of social security experts in the region. At the international level, the 80th Session of the International Labour Conference discussed Social insurance and social protection.

In addition to these high-level meetings, other more operationally oriented meetings and seminars were held during the reporting period. For example, in October 1994, a meeting in Dakar gathered delegations from 14 African countries of the *zone franc*. The objective was to implement measures aimed at reducing the negative social effects of the devaluation of the franc in January 1994. Further examples of a more practical oriented approach was the support given to Madagascar to help it organize the *Journées de réflexion sur la protection sociale* in May 1997, and the assistance provided to the Baltic and Nordic countries in 1994.

One of the most encouraging developments in the area of social security technical cooperation activities has been the large number of activities funded by countries themselves or by their social security schemes. During the 1993-97 period, over $1.3 million in technical assistance was financed in nearly all regions: in Latin America (Panama, Saint Lucia, Trinidad and Tobago); in Africa (Botswana, Morocco, Tunisia and Zimbabwe); in Asia (Philippines and Western Samoa); and in Europe (Cyprus and Turkey). In an environment in which it remains difficult to attract funding for this area of work, this is a worthwhile positive development. In this context mention should also be made of a large contribution (nearly $1.5 million) by the Netherlands to finance a social protection development and training project in Viet Nam.

The work of the ILO also included measures to improve the use made of income tax to ensure social protection for categories of population groups which are unprotected or underprotected. The possibility of extending social coverage to categories of the informed sector was also studied; these categories included vulnerable groups in the urban and rural informal sector. Good collaboration was also developed with donors, more specifically with the World Bank, which expressed considerable interest in undertaking social programmes in the context of economic and institutional reforms related to structural adjustment programmes. On the basis of these studies, it has been possible to offer decision-makers a global strategy combining social protection with economic strategies and labour market policies. The aim of such systems is to cover all categories of workers who are able to ensure a regular contribution or to participate in their own protection based on group solidarity. An interesting example of work in this area is a UNDP-funded study undertaken in India on social protection for the unorganized sector. Similarly, in Africa, (where 90 per cent of the total labour force is not covered by existing social protection schemes), the ILO has supported reforms which aim at the extension of social protection coverage to rural sectors (including cooperatives and non-formal sectors).

In 1998 the ILO launched a global programme, Strategies and Tools against Social Exclusion and Poverty (described in Chapter III). This was a major breakthrough in attracting funding for ILO work on non-formal social protection.

Future perspectives for technical cooperation on social security

Social security issues continue to be of major concern to many countries. In East Asia, the absence of adequate social protection systems compounded the adverse social impact of the financial crisis during the period under review. Unemployment insurance and social safety nets do not exist in the countries affected — or do not adequately meet the needs. In developing countries, social security remains beyond the reach of the majority of the labour force. The continuing tendency of informalization of the labour force fostered by globalization increases the risk of exclusion from social protection; nowhere is this more apparent than in the countries in economic transition in Eastern Europe and Central Asia. Technical cooperation activities will focus on assisting member States to address these issues. They are likely to be stimulated by the release during the next year of two major ILO publications on social security: one on pensions policy and design and the other, the World Labour Report, 1999, on income security.

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Technical cooperation and international labour standards

The principle that the ILO's technical cooperation activities should be closely related to international labour standards is widely accepted. It implies not only that all member States have, by virtue of their acceptance of the ILO Constitution and as stated in the 1998 Declaration, to respect fundamental principles relating to freedom of association, freedom from forced labour and child labour, and equal opportunities; it also implies that the Organization and the Office have a specific function to fulfil in this area, which is to encourage and facilitate respect of the whole range of standards-related obligations which member States have accepted.

At this point, the relation of international labour standards to technical cooperation comes to the fore in two respects. The first is the manifest need for the Organization to give assistance to member States to help make sure they have a good understanding of the procedures relating to standards and how they may play their own role; this includes the promotional activity deriving from the Organization's policies as to the encouragement of new ratifications. The second is the manner in which the technical cooperation capacity of the ILO is or should be geared specifically to assist States implement its principles and standards; or, put the other way round, how the conception and execution of technical cooperation are axed and evaluated on the criteria of those principles and standards. The way in which this work is tackled within the Office has been changing, especially with the institution of the multidisciplinary teams.

Technical cooperation relating to ratification and supervision

Given the Active Partnership Policy (APP), the creation of the MDTs has had a direct effect on the Office's potential for close contacts with governments and employ-

ers' and workers' organizations in the developing regions in respect of international labour standards, as it has in other respects; but with certain unique features. The task of providing training for government officials who have to draft reports due from their governments (in accordance with the Constitution and the decisions of the Governing Body) lies primarily with the standards specialists in the teams. It is a continuous task, since the turnover of such officials is rapid in many countries, and it is made peremptory by the obligatory nature of the relevant articles of the Constitution and the fact that the supervisory bodies necessarily draw attention to cases where governments fail to fulfil their obligations.

This task has been taken up with varying results by the standards specialists. In southern Africa, for example, there has been marked success in obtaining fulfilment of reporting obligations through a programme of national, tripartite, one-day (therefore low-cost for all concerned in terms of finance and time) "ILS Update" meetings — which normally take place in July or August when article 22 reports are due. This kind of meeting has also been replicated with success in other regions.

Regional and subregional seminars have been organized specifically for the purpose of providing training on fulfilment of constitutional obligations. Each year there are tripartite seminars for all member States in a developing region selected by rotation (in 1998, for example, in the Asian-Pacific region, in 1997 in Central and Eastern Europe and Latin America). A pre-Conference seminar is organized in cooperation with the Turin Centre and the regional offices and timed so that participants may complete their experience in Geneva with their attendance at the International Labour Conference, ideally in either the Committee on the Application of Standards or one of the standard-setting committees.

The promotional aspect of this kind of technical cooperation has several facets. Work on the Conventions relating to fundamental rights receives attention elsewhere in this paper and has resulted in significant numbers of new ratifications. The Governing Body has also identified several other Conventions which it has asked the Office to promote for ratification or examine with constituents in order to determine the obstacles to ratification. But what is certainly the most complex aspect of the matter is the implementation of ratified Conventions and measures needed to respond to the comments of the supervisory bodies. This is the area which must receive sufficient attention and resources if it is to be ensured that ratifications — including, at this time, the numerous new ratifications of basic rights Conventions — are not to be merely empty declarations of intent. Indeed, it is an area in which the supervisory mechanism can prove itself par excellence, since it offers a means to identify the exact problems of application, to which the Office may suggest solutions.

Incidence of standards on technical cooperation

It has long been the practice to communicate the comments of the supervisory bodies to ILO field offices, so that they might be taken into account in discussions with governments and in relation to technical cooperation activities. To translate those comments into real assistance and action, the country objectives exercises have a role to play. This is, in the correct sense of the term, a demand-driven exercise, since the very fact that a State has ratified a Convention provides the clearest possible (and formal) evidence of its wish to implement it. The role of the Office in this has been to recall, explain and assist. To the extent that the ILO has had to take certain initiatives in this

respect, however, it is also an offer-driven exercise. In consequence, the Office's role — and specifically that of the standards specialists where they are present — implies finding ways in which member States can overcome difficulties of application of ratified Conventions.

Once a country's technical cooperation needs are pinpointed, the preparation of projects and documents defining objectives, activities and outputs is an operation which may benefit enormously from a multidisciplinary approach. This approach has usefully been applied, for example, in Indonesia and Guatemala. In Indonesia, the multidisciplinary country objectives mission in 1994 (with participation from Bangkok and Geneva as well as Manila) led to an agreed programme including activities for employment generation (the Employment Policy Convention, 1964 (No. 122), remains unratified), women's participation in developments (in the light of the ratified Equal Remuneration Convention, 1951 (No. 100)), and sound industrial relations having regard to the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87) (which was ratified in 1998 in the course of intensified technical cooperation relating to freedom of association issues in particular). In Guatemala, a peace agreement negotiated under United Nations auspices in 1994 covered many issues of human rights, including the rights of indigenous peoples as enunciated in the Indigenous and Tribal Peoples Convention, 1989 (No. 169). The ILO worked closely with the United Nations and a technical cooperation project was started in 1995, leading in June 1996 to ratification of the Convention: the Committee of Experts considered the first article 22 report in 1998.

Integration of standards and technical cooperation

The potential for synergy between the standard-setting and supervisory side of the ILO, on the one hand, and technical cooperation and operational work, on the other, is therefore quite clear in theory and feasible in practice in many situations. It responds to the demands both of the ILO Constitution and its present-day constituents and provides a formula for filling a need signalled in many recent debates for action to ensure that social and economic rights and principles can be applied in deed.

There is a two-way relationship between technical cooperation and standards. At the same time as standards considerations are making their impact on technical cooperation activities, the supervisory system can benefit enormously from the input of the ILO's technical specialists and field offices. Such benefit might take the form of information on the current situation — often difficult to determine otherwise — and action taken following comments of the supervisory bodies as regards, for example, measures to generate employment in different regions or sectors or groups of the population (cf. Convention No. 122); or labour relations (cf. Convention No. 98); or development of rural areas (cf. Conventions Nos. 122, 142, 169). It also ideally consists of indications and advice to the supervisory bodies as to new difficulties arising in the application of Conventions, as well as new prospects for ratification. Contributions of this kind from the field offices and technical departments fill out the sometimes rather incomplete picture provided by governments and help the supervisory process give all due attention to practical issues causing concern.

Essential to this is the functioning of a labour inspectorate which conforms with the minimum standards described in Conventions Nos. 81 and 129 and, more generally, a labour administration with the powers and competences described in Conven-

tion No. 150. In view of the fact that a range of different ministries and government agencies may have direct responsibilities relating to the application of ILO standards, the question is also raised as to how the machinery of government as a whole is competent to discharge the State's obligations under international labour Conventions and its own legislation — as well as what is asked of the government as counterpart and partner in ILO technical cooperation activities.

Tripartism, which is inextricably linked to ILO standards, is also part and parcel of the democratic process. In particular, in Paragraph 6(a) of Recommendation No. 152, the Conference has advocated tripartite consultations on the "preparation, implementation and evaluation of technical cooperation activities in which the International Labour Organization participates".

Complementarity between international labour standards and technical cooperation was discussed as early as the 1984 Conference, and the 1987 Conference resolution called for the strengthening of this complementarity, in particular by assisting developing countries to create conditions more conducive to the ratification and application of standards, and by making greater use of technical cooperation resources to this effect. This invitation is as relevant now as it was then. The Office will pursue its programme on information dissemination, awareness-raising and training, both in-house and to its constituents, in order to guarantee that reference is made to standards in the design and implementation of technical cooperation.

The Declaration, as a promotional platform for the application of core labour standards, invites the Office to work even more visibly in a cause-oriented way. IPEC remains the obvious example of perfect symbiosis between technical cooperation and the promotion of international labour standards and their underlying values.

CHAPTER III

STRATEGIC RESPONSES TO NEW CHALLENGES

This decade has witnessed unprecedented structural, political, economic and attitudinal changes. Globalization and liberalization have provided enormous possibilities for economic growth and well-being. A number of countries have recorded phenomenal economic growth rates — although these have been accompanied at times by increasing inequalities, redundancies, worsening of conditions at work and social security. Indeed, the more recent financial crises in some of the "model" fast-growing economies have added new dimensions to social and economic problems; and some of the more industrialized countries have also experienced periods of turmoil with recession and growing unemployment. Countries in transition have had their own share of problems, moving from a system with assured employment and basic income to more competitive market economies with prospects of greater eventual growth but immediate difficulties related to uncertainties in the labour markets, job losses and erosion in social security systems.

These global changes have had implications for the ILO, especially as they relate to one of its major means of action, technical cooperation. The need and demand for technical cooperation increased considerably at a time when: availability of donors' funding was declining globally; the UNDP and major donors were moving towards national execution; specialized agencies were being asked to focus more on their core mandate areas and to concentrate on fewer high impact programmes rather than on scattered smaller projects; vigorous monitoring and evaluation of activities were being called for to ensure optimum use of scarce resources; the United Nations system as a whole was undergoing major reforms; and Bretton Woods and other financial institutions were reorienting their focus and modalities for cooperation.

The ILO needed to make strategic responses to the above-mentioned challenges. That being said, this still holds true today; the Organization needs to remain dynamic and make necessary changes within and vis-à-vis the outside world in order to continue being relevant and useful. Some of the ILO's major responses are described in the following pages; but it must be emphasized, even at the risk of repetition, that the responses are not completed exercises of the past — they are ongoing. Analyses or results of the work undertaken so far, as well as thoughts on refinements, corrective measures or new ideas, have been presented to inspire discussion at this session of the Conference and to obtain direction for a more successful and meaningful technical cooperation programme for the twenty-first century. The chapter starts with a section on the Active Partnership Policy (APP), which has allowed the Organization to become closer to its constituents, to identify and provide services demanded by them, and to establish partnerships with development partners. The next section focuses on global programmes — a concept which reflects the ILO's response towards a more programmatic approach. In view of the fact that increased extra-budgetary funding will be necessary to deliver a more comprehensive technical cooperation programme — as will be made clear in the text — the following section deals with the resource

mobilization strategy. The arena for developmental work is undergoing changes and two further sections are devoted to United Nations reforms and relations with the financial institutions. This is followed by a section on the Turin Centre, an important component of the ILO's technical cooperation programme. The ILO's relevance will be judged by the impact of its programmes at global and national levels; a section has thus been devoted to monitoring and evaluation. In 1998, the International Labour Conference adopted the Declaration on Fundamental Principles and Rights at Work and its Follow-up; the chapter concludes with a discussion on the issue of technical cooperation related to the Declaration.

The Active Partnership Policy

The need for change and the Active Partnership Policy

In 1993 the ILO adopted its Active Partnership Policy (APP) which had been formulated through an extensive process of internal review and reappraisal of the objectives of the ILO regarding its operational activities, current work programme priorities, relationship and interaction between its major means of action, relations with constituents, organizational structure, working modalities, personnel policies and administrative procedures.

At the conceptual stage three major factors had been invoked for the establishment of a new policy. First, the major donors and UNDP had proposed national execution, with the transfer of responsibilities for the implementation and management of operational activities to recipient member States. Specialized agencies would act as executing agencies only when member States requested them to do so. The ILO therefore needed to focus on its normative functions, increase its analytical capacity and be able to help countries define strategies and programmes. A second reason lay in the transformation of most countries to a market economy and democratic political regimes. Under these more fluid conditions, constituents needed to make rapid decisions, and had to have the conviction that the ILO was capable of responding quickly to their needs. The third reason was the need for the ILO to compete in the international market for technical cooperation. There would be no guaranteed "institutional" place for the ILO. It was extremely important therefore for the ILO to define its role, project a much sharper image, become more visible, and improve its products and services, concentrating on the Organization's core mandate.

Modalities and objectives of the policy

Objectives

As indicated earlier, the APP was an ILO response to new challenges. It aims at bringing the ILO closer to its tripartite constituency in member States and enhancing the coherence and quality of the technical services provided to them, within the mandate of the Organization and in the pursuit of common objectives. The policy covers not only technical cooperation in the traditional sense but also the integrated use of the different instruments of action available to the ILO in the course of its work.

Its internal arrangements

In order to put the policy into practice, the ILO underwent important internal changes. The establishment of 14 (now 16) multidisciplinary teams in the regions was a response to the complex nature of the economic and social problems arising in member States and to the need to offer them a more coordinated response. Area offices were made responsible for developing an active partnership with constituents and drawing up ILO programmes and projects through more extensive tripartite consultations. This new organizational structure was intended to make the best use of the Office's capacity, both in the regions and at headquarters. The policy was to be increasingly executed in the field; certain administrative, financial and technical functions were accordingly to be progressively transferred to field offices. Personnel and recruitment policies were revised, and the whole system was to be supervised by the regional offices. The link between the work of the MDT members responsible for employers' and workers' activities with ACT/EMP and ACTRAV was specified.

The implementation process: The early days

The Office has closely followed the implementation of the policy. In 1994 and 1995, the elaboration of country objectives, one of the key elements of the policy, was given top priority both by the MDTs and area offices. It was a rewarding but time-consuming exercise with, at the initial stage, some confusion as to the various roles and responsibilities involved. With some exceptions, the country objectives addressed issues and concerns which were relevant, essential and likely to bring sustainable results over a mid-term period — in conformity with the ILO's values, mandate and capacity. In some of the countries, the formulation of country objectives required a broad-based technical review which was undertaken by the MDT concerned. The reviews were well appreciated by the ILO's social development partners and donor institutions. Furthermore, they gave an opportunity for the teams to make themselves known, enhance their image and visibility, and promote team spirit and multidisciplinarity. Care had to be taken, however, to ensure that the MDTs were not distracted from their normal work which consisted of technical advisory services, technical services/support and implementation of the plans of action in support of the country objectives.

Another crucial element was the setting up of the MDTs. The specialists' positions were filled by the reassignment of regional advisers, by the transfer of officials from headquarters to the field (following the 1992 mobility policy), and by outside recruitment. Most MDT positions were covered by the beginning of 1995 but the delays in filling some key positions, especially in some MDTs, seriously delayed the moment when they became fully operational.

The integration of specialists with different disciplines and practices was not easy and required painstaking efforts on the part of the directors of the MDTs to ensure harmony at work. Furthermore, with the more active involvement of the constituents in the design and specification of ILO programmes, it could be observed that there was a clear trend away from a relations/back-stopping function (as was required of the former regional advisers) towards requests for high-level advisory services. There was also a shift from traditional projects to programme-oriented work involving more analytical activities.

Implementation of the APP has involved a great deal of learning-by-doing. Major strides have been made since the early days described above and the policy is now being implemented in a much better fashion. The following sections touch upon assessments of the implementation process over more recent years and put forward recommendations for the future.

Monitoring and internal consultations

The APP needs to remain dynamic. By means of structured workshops and continuous internal discussions at the Office level and in accordance with directions given by the Committee on Technical Cooperation, corrective measures have been put in place and refinements to the policy established.

Office

The first workshop on the implementation of the APP was held in Turin in November 1992, with the participation of 52 key management-level officials.

Agreement was reached on the basic principles of APP. After the workshop, three working groups were set up consisting of officials from headquarters and the field to examine more closely three themes: country objectives; multidisciplinarity; and roles and responsibilities. The reports of the working groups provided the basis for the second workshop on the APP that was held in Turin in April 1993. A number of personnel, administrative and financial aspects of APP were also discussed.

After the APP had been operational for about five years, it became apparent that a number of practical issues in the working of the policy needed clarifying. A third Workshop on APP (Turin III) was therefore organized in 1997 to discuss how the implementation and working of the APP could be further improved; Turin III was not only an internal evaluation but an exercise in internal communications. Country objectives, programme development, tripartism, and resource mobilization were chosen as four topics for discussions. All the regional directors, selected MDT and area office directors, directors of technical departments and bureaux, as well as some members of the General Management Committee, participated in the workshop. The Director-General attended the final session of the workshop.

Committee on Technical Cooperation

The Committee on Technical Cooperation has monitored the progress of the policy through Office papers submitted to its meetings in 1994, 1995, 1996 and 1998. At these meetings, several speakers, in particular the Workers' and Employers' representatives, noted that the APP had reinforced the tripartite dialogue and cooperation between constituents and the ILO, through the presence of workers' and employers' specialists in the MDTs and their active involvement in country objectives exercises. It was recommended that a proper balance and closer working relationship had to be found between the MDTs and the technical departments, especially for those technical departments which had a few or no representatives in the teams. The technical support of headquarters to MDTs should be institutionalized, rather than provided on an ad hoc basis.

In March 1997 the Committee on Technical Cooperation recommended to the Governing Body that an evaluation of the APP be undertaken. This was approved and

the necessary budgetary allocation was made. A Working Party, comprising three Government, three Employer and three Worker members, was constituted with the Chairperson of the Committee on Technical Cooperation as an additional member to chair its proceedings. It was emphasized that the evaluation should be independent.

Working Party of the Governing Body

The Working Party conducted its evaluation through discussions with technical and service departments in Geneva, through the examination of documentation and through field trips to ILO member States in four regions: Ethiopia and Côte d'Ivoire in Africa; Brazil and Peru in the Americas; Pakistan and Thailand in Asia; and Hungary and Ukraine in Europe. A preliminary report was presented for discussion to the March 1998 session of the Committee on Technical Cooperation. The final report of the Working Party was submitted to the November 1998 Session of the Governing Body.

Main findings and conclusions

An overall finding and recommendation of the Working Party on the evaluation of the APP was as follows: "The policy is widely approved within headquarters and the field as being conceptually and in practical terms the correct policy to help address the problems currently being faced by our constituents. Accordingly, the Working Party would recommend endorsement of this view."[1]

More specifically, the evaluation team had noted evidence of the following positive developments:

— ILO technical assistance and services have become more demand-driven and relevant for constituents;
— the APP has made possible greater involvement by the social partners in the development and implementation of technical assistance programmes;
— the establishment of the MDTs has brought ILO technical expertise closer to constituents;
— there is enhanced ILO visibility and increased familiarity with and responsiveness to constituents on the part of ILO experts;
— the multidisciplinary approach has brought greater potential for synergy, cost-effectiveness and the provision of more rapid and comprehensive responses to requests from constituents.

However, recognizing the limitations in the implementation process, the evaluation team maintained that there was scope to make it work better. In particular, country objectives had not been established in all the countries; there was concern for capacity and need for further clarity in the roles and interaction between different ILO units. The evaluation team further observed that there were vacant positions in the MDTs, which was evidence of some mismatch between the constituents' needs and composition of the MDTs. It was also concerned about the communication gaps between headquarters and field units and the absence of any clearly established internal procedures for systematic evaluation of APP-related activities. Finally, the evaluation team felt there was a need to increase the visibility of the ILO.

[1] Document GB.273/TC/2, Nov. 1998, para. 66.

The Working Party provided concrete recommendations for better functioning of the APP. It referred to the need for: increased resources to ensure that the APP met the needs of the constituents; an interchange of staff between field and headquarters; a continuous effort to improve and expand the quality services of the ILO to its constituents; strong direction from top management; and improved information flows.

Moving ahead: Refinements and corrective measures

In order to help address the problems currently being faced by our constituents and in pursuance of the Office's own appraisal of the implementation of the APP and more particularly the recommendations of the Governing Body Working Party, the Office intends to undertake the following action:

— Specific programmes will be undertaken to ensure that constituents at all levels fully understand their role in the APP and are in a position to participate in it effectively. There should also be improved contacts between the MDT specialists and the tripartite constituents.

— Partnerships will be developed further between the ILO and other organizations, especially with the United Nations system. The ILO's country-level contacts will be expanded to ministries whose portfolios include elements relating to the mandate of the Organization. The marketing function within APP needs to be developed to provide increased visibility of the ILO.

— Outstanding country objectives will be completed as a matter of priority and a mechanism put in place to review, update and adjust the completed ones as and when necessary. Furthermore, it should be ensured that constituents are involved from the outset of the country objectives exercise. Country objectives will be distributed widely, also as a means of mobilizing resources.

— Relations between the field and headquarters and the specific roles of the different components of the ILO will be further clarified, building on the work and review undertaken through Turin workshops and the observations made by the Working Party.

— Recognizing that the ILO's own reputation and capacity to compete in the provision of technical cooperation depends on its speaking with coherence and authority on all matters within its mandate, efforts will be made to ensure that ILO activities are carried out in a much more coordinated fashion.

— Distribution and geographical coverage of ILO offices and MDTs, as well as staffing, will be reviewed to ensure that the specializations and ILO presence reflect current needs of the tripartite constituencies. Vacant positions in the MDTs will be accordingly filled up as a matter of urgency.

— Efforts will be made to ensure that all field staff have the skills and knowledge required of them. Support and training will be provided to cater for the new and expanded dimensions of the area office director's role. The technical capabilities of MDT specialists will be constantly upgraded through training to enable them to provide quality advice to ILO constituents.

— MDTs will be encouraged to strengthen multidisciplinary approaches in their work and thereby increase coherence and quality of their work. A balance will be struck

between work at the global level, upstream advisory work and technical cooperation activities.

— The flow of information will be improved, both internally within the ILO and between the ILO and its constituents.

— A comprehensive programme will be established for continued assessment and evaluation of implementation of APP.

It would be pertinent to conclude this section by presenting some of the overall recommendations of the Governing Body Working Party on the evaluation of the APP:

> "... it is also clear, both from the examination in the field and from discussions with headquarters departments, that greater resources need to be put to the task of ensuring that APP meets the needs of constituents. ... While advocating increased resources, the Working Party recognizes that it will be for the Governing Body to determine how such additional resources are found, be it by reallocation or additional overall provisions.
>
> ... the five years of experience of the APP have shown that it needs particularly strong direction from top management. For this purpose, the Bureau for the Promotion of Active Partnership and Technical Cooperation (PROPAR/TEC) and the Personnel Department need to be strengthened so that they have the necessary authority to fulfil their tasks. In the case of PROPAR/TEC this should also include responsibility for collecting, analysing and disseminating the experience of the APP, which should form part of the institutional memory of the ILO. Research should focus on how the APP has worked, strategy planning and the definition of benchmarks." [2]

Global programmes: A more comprehensive approach

The context

The global programmes are located at one end of a continuum in terms of scale and coverage of the ILO's technical cooperation activities and emerged as a result of the reflection and movement for reform precipitated by a number of internal and external factors in the early 1990s. The global programme approach is rooted in the technical cooperation strategy which, as noted earlier, was elaborated to help the Office meet the new challenges and to ensure that technical cooperation would be an effective means of action.

The technical cooperation strategy identified sound programme or product development as the cornerstone of the ILO's efforts to maximize quality, impact and effectiveness and to attract funding for the ILO's technical cooperation activities in areas relevant to its mandate. In considering the range and type of products that should be developed, needs had to be met at various levels. It was felt that concrete needs at the national level were of central importance — indeed they were the *raison d'être* of technical cooperation. However, the ILO also had to consider how it could achieve impact, recognition, credibility and visibility on a broader scale, given the fact that it was a relatively modest player on the technical cooperation scene with only limited internal resources for technical cooperation. It was therefore important that the ILO should be able to demonstrate, very clearly and unequivocally, the practical relevance of international labour standards and the synergy between international labour standards and operational activities in its technical cooperation programme. Addition-

[2] ibid., paras. 67-71.

ally, the Office had to fulfil its obligations as regards the follow-up to various United Nations conferences on issues of global concern such as the Fourth World Conference on Women and the Social Summit.

Value added with the approach of global programmes

The global programme concept was not developed in a vacuum but was greatly influenced by, and benefited from, the experience of the International Programme for the Elimination of Child Labour (IPEC). Two global programmes, the International Programme on More and Better Jobs for Women (WOMEMP), and Strategies and Tools against Social Exclusion and Poverty (STEP), have been operational for about a year. The International Small Enterprise Programme (ISEP) started up in mid-1998. The development of a global programme on safety and health at work (SafeWork) is at an advanced stage; and a global programme on the promotion of tripartism and social dialogue is being considered. The time being taken to develop and to explore the feasibility and form of new programmes reflects the Office's position that these are very precise and specific instruments of technical cooperation which cannot be developed or multiplied indiscriminately.

These programmes were seen as major instruments of ILO action which could serve as flagships in selected areas of work. Reservations might be expressed that such programmes could prove to be a monolithic, centralized and abstract way of going about the concrete business of strengthening the capacity of constituents and other partners at the national level and of advancing the objectives of the Organization. It might also be feared that their targeted scale could make them unwieldy and unmanageable. However, these concerns are unfounded; and IPEC is a striking example of the fact that global programmes reap clear benefits for the ILO and its partners.

The ILO already has projects of a national, subregional, regional and interregional nature; but the new designation "global" carries very specific connotations. First, the global programmes are intended to have very extensive coverage. Second, they focus on obligations of a global nature, resulting, inter alia, from responsibilities assigned to the ILO as a follow-up to international United Nations summits. Third, they are based on a comprehensive, integrated, multidisciplinary, multidimensional and multi-level approach, fully exploiting the benefits of scale to support certain programme-specific functions in areas such as research and evaluation which simultaneously reinforces the Office's capacity and credibility. Fourth, through major international initiatives in networking, cross-fertilization and dissemination of experience, the global programmes significantly extend the reach and influence of the ILO. Fifth, these programmes have a long-term perspective which enables them to work more effectively and efficiently and to provide a solid platform for ILO action in the respective areas. Last but not least, each programme is intended to be an important vehicle for promoting the relevant labour standards and for advancing one or other of the priority objectives of the Organization. With the adoption of the Declaration on Fundamental Principles and Rights at Work and its Follow-up, the programmes which promote core labour standards will gain a new significance as instruments for upholding the principles contained in the Declaration.

The global programmes operate at two levels, the national and the international, and the systematic interplay between country-specific and international activities

contributes in no small measure to their value added. Country-specific action plans and projects meet national needs while central programme functions are carried out alongside. The cross-cutting support functions benefit the national activities, enhance quality and impact and help keep the ILO in the vanguard of work being conducted in the respective fields.

This approach clearly requires considerable investment in programme development and the establishment of necessary support structures; it should therefore be applied only to a limited number of areas which seem to warrant attention. These programmes are meant to be highly strategic: while they may be far-reaching in ILO terms, they may be relatively modest in relation to the scale of operation of other multilateral and bilateral agencies. However, their methods of working, their emphasis on innovative and pioneering approaches and their networking and dissemination arrangements have been designed to achieve much greater influence outside the ILO's sphere of operation than might normally be attained by isolated projects.

Modalities

The global programmes operate within the framework of the APP and on the basis of effective partnerships within the ILO. Country- (or region-) specific activities are designed to be field-led (by constituents, development partners and the ILO field structure) at all stages of the project cycle, and consistent with the orientation of the APP. Central functions are restricted to those providing specialized technical support which are at the service of the field structure as required for project development, implementation and evaluation — apart from the broader programme functions described above. To date, each global programme has been located within a technical department at headquarters. However, the programmes need to have a certain autonomy in order to pursue and achieve the cross-disciplinary orientation that is crucial if they are to realize their full potential as innovative instruments of technical cooperation.

The reach of the global programmes and their practical orientation also provides the Office with a solid foundation for related "upstream" policy-oriented activities in the respective fields.

The programmes

The International Programme on the Elimination of Child Labour (IPEC)

After some modest initiatives in the late 1980s, the ILO gradually stepped up its technical cooperation activities aimed at strengthening the capacity of member States to address their child labour problems through practical measures. In 1992, a major regular budget-funded interdepartmental project on the elimination of child labour was launched. The International Programme on the Elimination of Child Labour (IPEC) was also set up that same year with a generous contribution from the German Government. Initially, both developed and developing countries were sceptical about the possibility of combating the problem through technical cooperation based on the concept that child labour was solely to be attributed to poverty. However, IPEC quickly developed into the single largest operational technical cooperation programme in its field and is currently active in over 60 countries on four continents. This

expansion reflected a growing demand for services from member States and increased levels of financial support from a greater number of donors.

There is now a powerful worldwide movement calling for immediate and sustained action against child labour. ILO constituents have been at the forefront of this growing movement, increasingly determined to combat child labour on all fronts. Apart from the wealth of operational experience accumulated by the ILO in addressing the problem and a growing international movement against it, there have been a number of recent trends and developments which will reinforce the ILO's work. First, the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, adopted by the Conference in 1998, will lend weight to the ILO's activities in this area; and second, a new Convention on action against the worst forms of child labour will most likely be adopted in June 1999.

Regular budget resources have played an important and changing role in the programme over time. From being virtually the only source of funding for the Office's technical cooperation activities on child labour, they now play a more strategic role, complementing extra-budgetary resources and reinforcing the impact and quality of IPEC technical cooperation activities in key areas. Regular budget resources for child labour activities have gradually increased over the last five years in tandem with the growing importance given to the subject by constituents.

From a methodological standpoint, IPEC constituted a drastic shift in the ILO's approach towards technical cooperation. Traditional approaches tended to be short term, involving a restricted number of partners and operating in one recipient country or region or a loose collection of countries; they failed to have a coherent programming framework, focused on one or limited aspects of a problem and depended largely on external expertise. By contrast, IPEC was conceived as a long-term programme, operating on a global scale with many partners and donors, providing a holistic response to the problem, and relying to a large extent on national capacities.

This change in approach reflected changes of a globalizing world in which child labour was no longer seen as being only a national concern but an international issue. The advantage of scale enabled IPEC to maximize efficiency and visibility and to ensure an optimal response to identified demand. Although the launching of IPEC preceded the introduction of the APP, the programme anticipated many of its principles. From the outset, IPEC emphasized national activities based on national ownership and national execution to the greatest extent possible. It was conceived as a global programme with national programme components and, to reflect this, it set up national steering committees, an international programme steering committee and a central programme management unit. This structure facilitated a constituent-led approach to the determination of priorities at the country level combined with the benefits of specialized central support.

The programme developed a phased, long-term and multisectoral approach with the following aims: to strengthen national capacity to eliminate child labour with a particular initial focus on the worst forms of child labour; and to contribute to a worldwide movement to sustain action against child labour. From its earliest days, IPEC worked on the premise that child labour had to be addressed through a broad-based partnership of the ILO's constituents and civil society. Over the years, governments have been steady partners in the programme; and in the initial stages, NGOs were important partners as child labour is predominantly found in the informal sector. However, with the increasing commitment of workers' and employers'

organizations to the cause of child labour, and their strengthened capacity to take action, the share of NGOs in implementing IPEC action programmes has significantly dropped.

An assessment of programme performance against the indicators of achievement contained in the initial programme documents show that IPEC has performed remarkably well. The ILO has firmly established its position as the key United Nations agency to which member States turn for advice and assistance on child labour. There is renewed interest in the development and promotion of international labour standards, i.e. ratification of the Minimum Age Convention, 1973 (No. 138), and support for the proposed new Convention on the worst forms of child labour. A succession of international conferences over the last couple of years has focused worldwide attention on the problem — and the political commitment of governments to deal with the problems is stronger than ever before. Strong domestic pressure in many countries has resulted in national ownership of the search to find solutions. Technically, IPEC has been responsible for much ground-breaking work: it has developed and pioneered approaches and research regarding extreme forms of child labour; it has gathered and monitored statistical information; and it has been active in the area of non-formal education and training.

However, the IPEC experience has shown that the same factors that constituted its strength also had some inherent weaknesses or difficulties. First, the important role played by national mechanisms in the design and planning of the programme required extreme prudence in reconciling the priorities and concerns of partners with the ILO's principles and standards. Second, highly flexible procedures were vital to the success of the programme, but were also sometimes difficult to accommodate within the procedures of an international organization that had to adhere to unquestionable financial standards and ensure accountability to donors. Third, although a small and agile team allowed the programme to remain flexible and keep overhead costs low, this may also, during the years of rapid growth, have led to constraints in absorptive capacity. Ultimately, in 1997 and 1998, the staffing situation had to be drastically reinforced to enable it to satisfy the expectations of member States through the delivery of technical cooperation of high quality.

In terms of future priorities and strategic direction, IPEC activities will continue to be linked to the promotion of Convention No. 138 and its accompanying Recommendation (No. 146) which provide the policy framework for the implementation of its projects and programmes. The proposed new Convention on the worst forms of child labour and the Declaration on Fundamental Principles and Rights at Work and its Follow-up will provide a strengthened overall framework for the programme's activities.

While the programme will continue to reach out to countries in need, its overriding concern in the future will be to consolidate achievements, concentrate its efforts and create replicable models and instruments. Quality and measurable impact will be key features. This will involve, among others things: (1) creating the right environment and establishing the modalities for a smooth transition or gradual phasing out of IPEC from those countries where it has been operating for some time; (2) targeting particularly hazardous industries and occupations or forms and conditions of employment which are manifestly intolerable and, in so doing, bring about compliance with the proposed Convention on the worst forms of child labour; and (3) developing planning and implementation tools for time-bound national and/or industry-based programmes

aimed at the effective and total elimination of child labour, and encouraging and assisting countries in implementation.

The programme will continue to rely on a broad-based partnership of ILO constituents, other private and public sector agencies and civil society at large. Efforts will be made to strengthen further the role of employers' and workers' organizations in programme development and implementation.

There is a considerable demand for the Office to extend its statistical work in the field of child labour. This will be done within the framework of IPEC's newly established Statistical Information and Monitoring Programme on Child Labour (SIMPOC). The work carried out by SIMPOC, along with the ongoing policy-oriented work of the Office, will provide an unrivalled wealth of information to be used by IPEC for setting priorities, developing programmes and assessing progress towards the effective abolition of child labour and — in particular — the elimination of its worst forms.

International Programme on More and Better Jobs for Women (WOMEMP)

This programme was launched in June 1997 with a view to eliminating gender discrimination in respect of employment and occupation. The programme recognizes that the promotion of more and better jobs for women also encompasses all the other fundamental rights and principles: freedom of association and the effective recognition of the right to collective bargaining; the elimination of forced and compulsory labour; the effective elimination of child labour; and discrimination on all other grounds. WOMEMP is also the ILO's specific contribution to the follow-up to the Beijing Declaration and the Platform of Action of the Fourth World Conference on Women and the Copenhagen Declaration on Social Development and Programme of Action of the World Summit for Social Development. There was strong endorsement of the programme at an Informal Tripartite Meeting at the Ministerial Level held during the 86th Session (1998) of the International Labour Conference.

Initial efforts have necessarily been concentrated on identifying key problems and issues, formulating the programme strategy, organizing publicity and awareness-raising, preparing national action plans, carrying out fund raising, and undertaking planning and initial research. Consistent with the general approach of the global programmes, WOMEMP operates at two levels: national and international.

At the national level, WOMEMP has been providing technical services and support to ILO constituents in selected countries to formulate and implement national action plans to improve the quantity and quality of women's employment and working conditions. These national action plans are drawn up in close collaboration and consultation with the government, social partners, women's organizations and other civil groups, and the donor community in the country. WOMEMP works closely with the selected countries to develop integrated and comprehensive strategies to promote or realize the fundamental principles relating to women workers, while also ensuring that women's employment leads to poverty eradication, sustainable development and the effective use of human resources. Particular attention is given to protecting the most vulnerable groups of women workers. To date, WOMEMP has worked with Burkina Faso, Croatia, Estonia, Mexico, Pakistan and the United Republic of Tanzania to develop national action plans that take into account national needs and priorities.

At the international level, WOMEMP is undertaking a range of technical cooperation activities which may be classified in three main categories. It is making widely available to ILO constituents information, guidelines and advice on effective and sustainable policies and programmes for the promotion of more and better jobs for women and in pursuit of the fundamental principles and rights at work; alerting them to trends and developments in the global economy that affect equity, social progress and the eradication of poverty and that create new vulnerable groups; and fostering closer cooperation and coordination with other international organizations. An example of such an activity is the preparation of a manual, in partnership with the International Confederation of Free Trade Unions (ICFTU), aimed at enhancing the role of trade unions in promoting gender equality.

WOMEMP is also preparing a series of user-friendly manuals and guidelines on model legislation and innovative approaches in the areas of discrimination, equal pay, sexual harassment, family-friendly practices and national equality machinery. In this way, the programme hopes to foster the systematic sharing of information and experiences between countries and regions, as well as the widespread dissemination of such material, so that the lessons of experience can be learned and more widely built upon. This strategy will ensure a more conducive environment for the other technical cooperation activities undertaken by the programme, especially at the national level.

With respect to future priorities, the programme aims to pursue, on a larger scale, the activities initiated to date. The programme is now poised to move into a phase of full implementation. It has enormous potential to contribute in a meaningful way to the realization of the ILO's Declaration on Fundamental Principles and Rights at Work and its Follow-up, to the follow-up to the major international conferences and to the overall commitment of the United Nations system to eradicate poverty; however, this will of course be contingent upon the programme being adequately funded and supported from both within and beyond the ILO.

Strategies and Tools against Social Exclusion and Poverty (STEP)

Strategies and Tools against Social Exclusion and Poverty (STEP) was launched in January 1998. The programme aims to promote social development to contribute to the struggle against poverty and social exclusion, and to help preserve and strengthen social cohesion and social protection in a context of globalization, macroeconomic stabilization policies, structural adjustment programmes and transition strategies. It focuses on developing alternative, complementary and effective means of providing social protection and promoting development for the poorest strata, based on the concept of social economy [3] given the fact that traditional mechanisms appear unable to meet the challenge in the near future.

International labour standards are the benchmark and framework for STEP activities and they are systematically integrated in the development of methodological tools on social economy. STEP promotes the fundamental labour standards as

[3] Social economy, as defined in the programme, encompasses economic activities executed by entities presenting themselves mostly as cooperatives, mutual societies and other non-profit organizations which subscribe to the following fundamental principles: (i) finality of service to the members or collectivities rather than profit; (ii) managerial autonomy; (iii) democratic decision-making process; (iv) primacy of people and labour over capital in the distribution of income.

well as those related to social security, rural workers' organizations, cooperatives, child labour, women's employment, plantation workers and indigenous and tribal people.

National programmes are developed with the involvement of the ILO's field structure and national partners for implementation by and through national structures under the direction of the ILO's field structure. The central programme unit acts as an international observatory on relevant aspects of social economy; it is also a focal point of the international network and a centre of excellence and support unit for product development, monitoring and evaluation of all programme activities. Furthermore, it provides advisory services to partners and maintains technical dialogue with major financing agencies and other international agencies in order to help them in their work to combat social exclusion through social economy.

In its first year of operation, STEP established the central programme unit; initiated the networking process covering a wide range of organizations; set up the documentation centre which is integrated into the ILO's central library services; undertook conceptual work and research; developed methodological tools; established partnership arrangements and explored other possibilities for collaboration; promoted the programme; identified needs, together with the ILO's field structure and national partners; formulated proposals; and engaged in resource mobilization initiatives to implement these proposals.

A key focus of work has been micro-insurance to promote democratization of insurance and equity of access — a pioneering initiative welcomed by practitioners and applicable to many spheres of activity, in particular the health sector.

At the field level, STEP has been working with various partners in West and Central Africa on the actual and potential contribution of mutual health insurance organizations to the financing, delivery and provision of access to health care. It was also a co-organizer of a workshop held in Abidjan in June 1998 to outline strategies and to support mutual health insurance organizations. This led to the "Abidjan Platform" which now facilitates consultation and interaction among key players in this field. STEP has also been active in East and South Africa, and Portuguese-speaking Africa. It has been involved in studies, in identification of national needs and in the formulation of appropriate project proposals. Amongst its activities at the regional level in Africa, STEP produced a guide on mutual health insurance for use by micro-entrepreneurs and their support organizations (with ILO/ISEP) and developed a regional African programme on mutual health insurance organizations.

In Asia activities have been carried out in China, India, Mongolia and Nepal in close collaboration with WHO, UNDP, the International Cooperative Alliance, and the International Cooperative Health Organization (ICHO). In Latin America, work was started in Chile to develop a trade union programme in collaboration with the Bureau for Workers' Activities (ACTRAV). There was also cooperation with the Andean countries on fair trade activities in collaboration with the Inter-American Institute for Agricultural Cooperation, while in the Southern Cone work on mutual health insurance was initiated with the Mutual Funds Association of America (AMA). In Europe work was carried out on social protection in Poland and on poverty alleviation (with the UNDP) in Azerbaijan and Romania.

There has been an increasing demand from women's organizations for assistance on micro-insurance. An interregional proposal is being developed on social insurance for women in the rural and urban informal sector.

With respect to future priorities at the international level, the international observatory function will be built up and further work done to strengthen the STEP network. Activities associated with the centre of excellence function will include setting up distribution networks for STEP publications and providing advisory services to social economy organizations, their partners and governments. The extension of social protection will be the priority theme with a particular focus on the development of micro-insurance systems; a second theme will be workers' organizations and social economy in collaboration with ACTRAV. Subsidiary themes will include local development, fair trade, ethical financing and micro-finance.

The International Small Enterprise Programme (ISEP)

In 1998, the ILO launched the International Small Enterprise Programme (ISEP) in response to the growing global unemployment crisis. The programme aims to consolidate and expand the ILO's efforts to promote small enterprise development. It is also the main ILO vehicle to help member States apply the provisions of the Job Creation in Small and Medium-Sized Enterprises Recommendation (No. 189), adopted by the International Labour Conference at its 86th Session in June 1998.

In a majority of countries today, most new jobs are created by small enterprises. ISEP aims to help them to achieve their full potential to contribute to economic growth and employment creation by addressing the numerous constraints which they face. It is a comprehensive, integrated, high-impact and cost-effective programme which fosters an entrepreneurial spirit and helps small enterprises to create more jobs and to improve their quality and sustainability in an increasingly competitive environment.

ISEP benefits those trying to escape the vicious circle of unemployment and poverty, and wishing to take control of their own destiny. The ultimate beneficiaries of the programme are the millions of existing and potential small enterprises which are struggling to survive. Among these, ISEP pays special attention to small enterprises headed by women in view of the gender-specific constraints they face.

ISEP cooperates with local partners involved in small enterprise development. It is a cost-effective approach and maximizes the outreach of ISEP's services. Government, employers' and workers' organizations, chambers of commerce, and associations of small enterprises are some of ISEP's partners and their full involvement in the development of ISEP is an important goal of the programme.

Innovative, high-impact and cost-effective approaches developed by ISEP are based on sound action-oriented research and best practice. There is a strong focus on dissemination of these approaches for replication by others to maximize outreach. An important dimension of the programme is an emphasis on improving job quality in small enterprises, in line with international labour standards.

ISEP has drawn up five priority areas for action. It is:

(i) developing and field-testing ways to improve the impact of direct assistance to small enterprises so that this assistance might reach more enterprises, be cost-effective and improve job quality. This effort focuses on the design, management, delivery and use of direct assistance, as well as the preparation of impact assessment methods and benchmarks;

(ii) developing tools and guidelines to assist policy and regulatory analysis, to encourage consultations among the social partners, and to promote a truly enabling business environment;

(iii) preparing guidelines and training materials to facilitate the provision of financial services to small enterprises by banks and other financial intermediaries, and to improve the management of financial services;

(iv) promoting effective approaches to improve access of small enterprises to quality and relevant business services, profitable markets, information and training. This will help them address problems such as low productivity, low workers' skills, weak management, poor innovation and poor access to information. Special attempts are made to ensure that services provided are capable of achieving financial sustainability and of playing a significant role in small enterprise promotion at the local level; and

(v) emphasizing those measures and activities which help ensure that jobs created by small enterprises are also of higher quality. It uses guidelines, training and awareness campaigns to improve working conditions, safety and health and the overall social protection of workers. ISEP intends also to collaborate actively with IPEC.

Global programme on safety and health at work (SafeWork)

Work-related accidents and diseases continue to be a serious problem in both developed and developing countries. The ILO estimates that workers suffer 250 million accidents every year. There are at least 335,000 fatal injuries caused by accidents at work. Further avoidable suffering is caused by 160 million cases of occupational diseases. Taking accidents and diseases together, the global estimate of work-related deaths amounts to 1.1 million per year, and this is considered to be a gross underestimate. The economic losses are enormous and, in terms of shattered families and communities, the damage is incalculable. But international concern and awareness of the importance and magnitude of the problem remain surprisingly modest. Action, especially in developing countries, is hampered by inadequate knowledge and information and by limited capacity to design and implement effective policies and programmes. Alarming though the fatality, accident and disease figures are, investment decisions especially in Asia and Latin America continue to be made in disregard of safety, health and environmental considerations.

The proposed programme SafeWork is designed to respond to this need. Its primary objectives are: (a) to create worldwide awareness of the dimensions and consequences of work-related accidents, injuries and diseases; (b) to promote the goal of basic protection for all workers in conformity with international labour standards; and (c) to enhance the capacity of member States and industry to design and implement effective preventive and protective policies and programmes.

The programme will pursue a two-pronged approach. It will, first of all, create alliances and partnerships by launching activities which can be used by ILO constituents, non-governmental organizations, and human rights groups in advocacy campaigns and for exerting pressure for vigorous action by governments. Second, it will support action at the national level through an integrated programme of direct technical assistance. This will include the development of management tools and monitoring and information services designed to prevent occupational accidents and diseases and to protect the health and welfare of workers and the environment.

The primary focus will be on hazardous occupations. It will target workers in highly hazardous occupations, specific categories of workers who may be vulnerable on account of gender or age, and workers in the urban informal sector who usually lack basic health protection.

Though anchored in ILO principles and values, the programme will be flexible so as to take into account regional and country diversity. But the major activities will include the following: (i) the promotion of worldwide advocacy campaigns to inform, advise and pressure for change; (ii) the development of a major global statistical programme focusing on hazardous occupations and sectors; (iii) the articulation and development of national programmes of action designed to provide a unifying framework for the preparation of national and industry-based activities consistent with internationally agreed policies and principles; (iv) the development of nationally adapted training programmes and materials; and (v) the organization of meetings, including world-class conferences, for the international exchange of information and experiences on workers' safety and health. In short, this programme will pursue a global campaign to make work safer, healthier and more humane. There is one other special feature which makes this programme truly global in a way which is seldom found in similar programmes. Although it will be especially concerned with the problems of developing countries, it will also address the safety and health concerns of industrialized countries, including emerging issues related to new risks arising from advances in technology, globalization, and changes in the nature of work and employment relationships.

Conclusions

These programmes, with the exception of IPEC, are very recent initiatives which have yet to stand the test of time. It must be emphasized that they cannot be expected to show dramatic results overnight. IPEC, even with the particular appeal of its theme, required a gestation period during which scepticism and caution had to be overcome before it moved into a phase of expansion with increased support from all partners. IPEC has had to make adjustments to deal with this expansion and it is expected that other programmes will have to do the same at an appropriate point in the future. Like most of the ILO's technical cooperation activities, the global programmes are highly dependent on external funding. Already at this early stage, there has been a high demand for services offered under the operational programmes which the Office must strive hard to fulfil. A concerted resource mobilization drive is therefore essential. The ILO will need to maintain constant dialogue with potential contributors to the programmes in order to inspire the confidence required for partners to invest in them. The IPEC experience has shown how vital it is to have regular budget support during the initial stages of a programme. The donor community is keen to see similar regular budget support for and linkages with the new programmes — and the Office will have to respond to this expectation. Another major challenge will be to achieve a multidisciplinary approach; a compartmentalized and restricted perspective will cripple the programmes and undermine their potential. These are major challenges and the Office will continue to monitor success in meeting them.

Resource mobilization

Overview

Developments in resource mobilization for technical cooperation in the ILO since the early 1990s are best illustrated by table 3.1 and figure 3.1; indeed, they show a drastic and gradual decline in approvals of 60 per cent from 1990 to 1994. Such a persistent decline was virtually unheard of in earlier years, which were mainly characterized by steady increases in resources for technical cooperation. As may be observed, the decline during this period was most pronounced in the case of UNDP; in 1994 and 1995, approvals accounted for only some 25 per cent of those in 1990. Although multi-bilateral approvals also registered a significant decline — i.e. in 1994, approvals were less than 50 per cent of those in 1990 — the multi-bilateral programme fared comparatively better.

Nonetheless, the information clearly shows that from 1995 onwards the situation improved considerably as a result of the introduction of APP, the launching of new programmes and the specific measures taken on resource mobilization. This section of the chapter will examine the overall situation in more detail, give its background and give a description of the current state of affairs regarding resource mobilization and critical issues for the future.

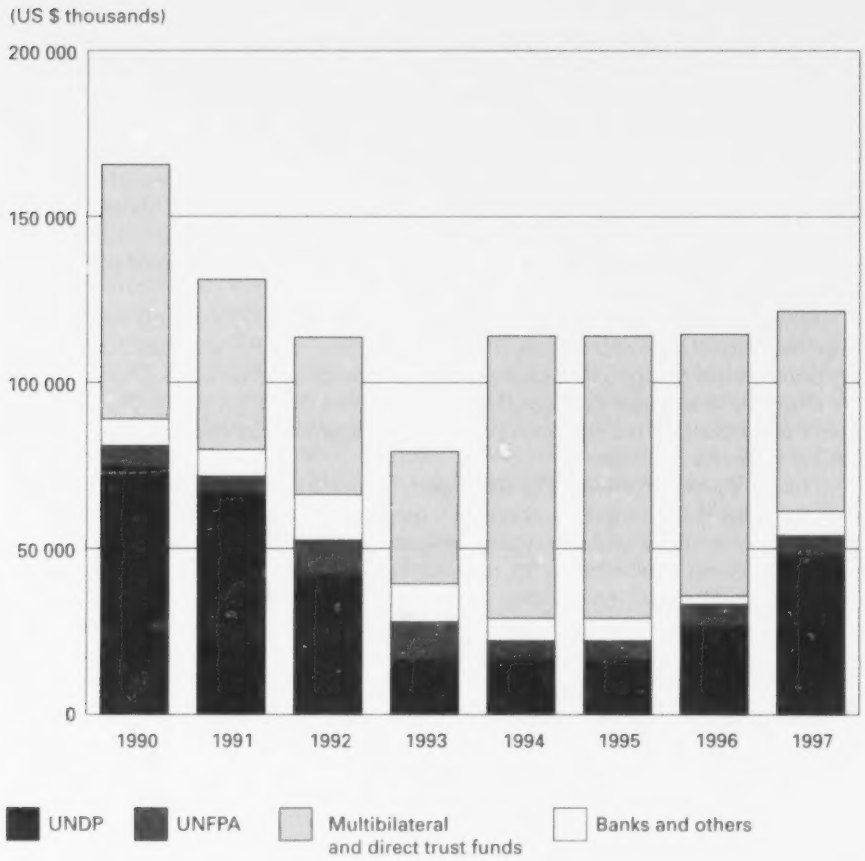
During the period covered by this report, resource mobilization became a major concern of the ILO's technical cooperation programme and the Office recognized that the resources available under its regular budget could not be expected to cover the wide range of services demanded by its member States. These services, which increased significantly after the introduction of the APP, covered a wide range of issues, including many involving technical assistance and technical cooperation. The Office therefore started to determine more systematically the best approach to secure extra-budgetary funding to complement its regular budget resources. In this respect, it sought to link its technical cooperation activities more coherently than in the past to its regular budget funded work programme to ensure optimal synergy between these funding sources and to ensure maximum consistency in its overall programme of work.

It should be noted that this is a phenomenon throughout the United Nations system. In fact, ILO performance started to show improvements in overall expenditure in 1997 — which, in this context, is a remarkable development.

In November 1994, the Office presented an overall strategy for technical cooperation to the Committee on Technical Cooperation of the Governing Body. In line with the 1993 Conference discussion, this strategy reflected the newly introduced APP and included a component devoted to resource mobilization. Indeed, by then, the keen competition for development cooperation resources was clearly recognized. The main thrust of the resource mobilization efforts of the strategy hinged on a systematic individualized approach for each donor, the preparation of sound technical cooperation packages, and an attempt to influence donor priorities through dialogue. The Governing Body approved this ILO strategy for technical cooperation, including its resource mobilization component.

Throughout the following years, it became increasingly clear that more focused and deliberate action would be needed to address the continuing decline in newly funded approvals and subsequent expenditure for the ILO technical cooperation programme. At the same time, the APP helped the Office's efforts to reassess both the

Figure 3.1. Extra-budgetary technical cooperation approvals, 1990-97, by source of funds



quantitative and qualitative aspects of its future technical cooperation programme. In this context, a number of measures were taken in early 1996 to renew and reinforce the resource mobilization efforts, which were placed under the overall responsibility of a member of the Office's senior management. As part of these developments, which coincided with requests from the Committee on Technical Cooperation for further action, a document on the ILO's resource mobilization strategy was prepared for discussion by the Committee in November 1997. Subsequently, the Governing Body endorsed the strategy while recognizing at the same time the need for making the necessary financial provisions available for the promotion of technical cooperation. The Office started to take the necessary action for the implementation of this renewed resource mobilization strategy at the end of 1997.

This renewed strategy consisted of three main components: programme development; the strengthening and extension of partnerships with funding agencies;

Table 3.1. Yearly approvals, 1990-97, by major source of funds (US$ million)

	UNDP/UNFPA	Multi-bilateral	Others	Total
1990	81	77	8	166
1991	72	51	8	131
1992	52	47	14	113
1993	28	40	11	79
1994	21	37	12	70
1995	22	85	7	114
1996	33	79	2	115
1997	54	60	7	121

and a marketing campaign. In concentrating on these three components, the strategy clearly set out to build upon the progress made in the context of the APP. By ensuring closer contacts between the field structure and the constituents, the Office significantly improved the basis for sound programme development. The country objectives jointly agreed upon with the constituents provided a solid basis not only for programme development at the national level but also for programme development at the (sub)regional and international levels. Similarly, the partnership at national level in the countries receiving ILO assistance was to be mirrored by partnerships with the donor community.

Programme development

As reported to the March 1999 session of the Governing Body, the introduction of the APP has had a significant and meaningful impact on the Office's practice of programme development. The country objectives, which define the ILO work programme in the countries concerned, are becoming the basis for the ILO's programme development and have clearly been instrumental in mobilizing resources. Fund-raising at the country level has improved through this approach of joint programme development with government institutions and the social partners. These partners are also playing an increasingly useful role in making the local donor community aware of the funding needs for the ILO work programme based on the country objectives. This approach has started to show positive results and the decline in resources from the UNDP referred to earlier in the text has been arrested; this may be attributed, among other factors, to the clear guidelines sent by headquarters to the field structure on how to benefit from the fresh opportunities offered by UNDP by making maximum use of the APP. In 1996, the ILO was successful in receiving additional funds from UNDP. This was possible since, at the national level, many ILO offices had developed work programmes based on the country objectives which could be submitted to UNDP. It may be noted that UNDP approvals increased from $43 million in 1994-95 to $86 million in 1996-97.

The resource mobilization strategy has also deliberately focused on the role of country level programming for the development of subregional and international technical cooperation programmes. This process allows the Office to invest in and promote a number of subregional and regional programmes, as for instance Jobs for Africa, which started in 1998. At the global level, this approach has made it possible to focus on a number of global technical cooperation programmes in line with priority

themes emerging from the country objectives. The Committee on Technical Cooperation discussed and endorsed in March 1998 the overall approach to global programmes of technical cooperation. The present funding status of the three most developed global programmes — IPEC, STEP, and ISEP — shows the value of this approach for resource mobilization.

These approvals reflect the importance given to global programmes by the donor community and the commitment of the ILO to work on a number of priority themes of global relevance. From the donor's point of view, the global programmes allow the building up of a long-lasting and more substantive relationship with the ILO in areas of common interest, providing a longer term programme commitment rather than a project-by-project approach.

Although it would be unrealistic to assume that all global programmes might attract the same level of funding as IPEC — which is in many respects unique — experience so far would seem to suggest that a well-defined approach at the global level in a priority area of ILO work is more likely to be funded than an individual and unrelated project. The global programme approach will also have to be examined in the light of the fresh impetus given to technical cooperation by the Declaration on Fundamental Principles and Rights at Work and its Follow-up.

Partnerships for resource mobilization

The idea of a partnership approach with respect to the donor community was based on the same principles as the APP. Indeed, it was felt that there was a need to engage in a much more substantive relationship with the funding partners. This relationship was intended to reflect a longer term commitment of collaboration on a number of jointly determined subjects and the establishment of a more intense and regular dialogue at the policy as well as at the technical levels.

This approach sets out to:

— intensify the dialogue with existing partners, usually ministries of development cooperation, to include more substantive issues in addition to the funding questions. This might involve, for instance, a more systematic contact between technical specialists in the donor community and those of the ILO;

— widen the scope of contacts beyond the present ones. For instance, at the donor country level, contacts could be established more systematically with the ministries of labour, trade unions and employers' organizations to solicit their support to influence decision-making at the political level to guarantee the social dimension in national development policies as well as to involve them also more directly in fund-raising.

Multi-bilateral partners

At this point, an attempt will be made to outline efforts taken to strengthen and widen relations with multi-bilateral partners. (Cooperation with UNDP and the financial institutions is described later in the text.) From the outset, it was recognized that the resource mobilization strategy had relatively limited scope for increased funding from the largest multi-bilateral partners. It was therefore decided to concentrate on intensifying relationships with the main existing donors, increasing collaboration with the other multi-bilateral donors and on seeking new partners.

In the case of established multi-bilateral donors (Norway, Denmark, Netherlands, Belgium, Italy, Spain and Japan) with whom the ILO already had a regular review mechanism, efforts were made to consolidate the relationship, by using the review meetings to discuss overall policy matters and technical issues of joint interest, and setting joint goals for future collaboration. At the same time, ways were sought to increase commitment from donors so that they would allocate a steady amount of resources to ILO activities on a programme rather than on a project-by-project basis — where possible linked to the global programmes. The results have been encouraging and this approach has now been established in one form or another with Denmark (a pioneer in this respect), Norway, Belgium and Japan.

As regards the multi-bilateral donors for which no regular review mechanism existed, the strategy aimed at establishing this type of mechanism for closer dialogue. The principal countries belonging to this group were: Switzerland, Sweden, France and Finland. In recent years, approaches made in this respect towards Sweden and France have started to reap results; prospects to start regular contacts for policy dialogue are promising. Needless to say, the Office has regular contacts with Germany as it is the main contributor to IPEC — as well as being a contributor to other projects — although no formal mechanism has been set up.

Last but not least, the other efforts included in the strategy to diversify and strengthen the donor base have led to a number of encouraging results. First of all, the United States has made a long-term and large commitment to IPEC, which will place it amongst the largest multi-bilateral partners as of 1999. Another worthwhile positive result is the start of regular joint committee meetings with Portugal in 1998, coupled with a considerable funding commitment for Portuguese-speaking countries. Luxembourg and Austria have also significantly increased their funding, although the overall levels still remain limited. With the United Kingdom, a start has been made with overall policy and technical dialogue to increase collaboration. There is clearly scope for further diversification — e.g. Ireland, Canada, Australia and the Republic of Korea — and the Office will continue its efforts in this direction.

European Union

Relations with the European Union (EU) have always been a priority issue for the Office. The Commission and the European Parliament remain important partners in the promotion of international labour standards. Exchange of expertise, particularly with the Directorate-General of Social Affairs and Employment (DGV), has proved to be vital for our research and for the development of specific programmes. Equally, relations with the Commission should be improved in the area of development, the EU being one of the world's most important donors.

In spite of its additional efforts many meetings at all levels, the Office is finding it difficult to develop a full partnership. One problem continues to be the absence of an agreement on financial and administrative monitoring of technical cooperation; another is due to the internal administrative restructuring of key departments in the Commission and the cumbersome political processes surrounding the Lomé Convention.

Noteworthy nevertheless has been the EU's involvement in the Cambodian Employment-Generating Programme in 1995, the financing of IPEC in Pakistan in

1998, the programme to support the trade union movement in Central America, and the financing of projects in Niger, Guinea and Madagascar.

The Declaration on Fundamental Principles and Rights at Work and its Follow-up opens new perspectives and should, under the pressure of the European Parliament, lead to closer collaboration between the two institutions in the fields which it covers. The Office should thus continue its efforts to improve the partnership.

New partnerships

In order to obtain additional funding sources outside the multilateral and government-related financing institutions, there was a need to diversify and seek new partnerships. The strategy envisaged exploring the use of grants from the private sector, foundations and non-governmental organizations. In this context the strategy also set out to develop partnerships with international and national workers' and employers' organizations for resource mobilization. It was understood that these initiatives were to fully take account of the ILO's fundamental value system. As a result, the internal procedures for accepting funding from private sources are being clarified and reflect the principle that such funding should not serve the agenda or commercial interest of the funding agent and safeguard the independence of the ILO in making use of the funding provided. A number of activities have started to be funded in this manner, although the amounts involved are still relatively small. One potentially large source stems from the $1 billion contribution made by Mr. Ted Turner to the United Nations. The Office has taken the necessary steps to obtain funding from this source. The first positive results were expected in early 1999.

Funding from trade unions and employers, either directly or through specific campaigns organized by them, constitutes a second main area for a newer form of partnership. The active participation of their international and national representatives would be sought to develop this component into a fully-fledged part of the ILO's resource mobilization. The Bureau for Workers' Activities (ACTRAV) and the Bureau for Employers' Activities (ACT/EMP) would, of course, be closely associated with these efforts. The Declaration should further increase the scope of action in this area — and the Office would develop guidelines and manuals to support these efforts. An interesting recent example of a successful approach on these lines was a resource mobilization drive undertaken in 1997-98 by the Italian social partners for IPEC projects in Pakistan, Bangladesh and Nepal.

A marketing campaign

The third and last main component of the resource mobilization strategy concerned the image of the ILO. The need was felt to portray the ILO more systematically as an organization with clear purposes and programmes, capable of making a solid contribution to socio-economic development in its fields of competence. This component stressed how vital it was to have enhanced communication both within and outside the Office. In addition to measures directed at internal communications, the strategy advocated developing better communication links with actual beneficiaries, donors and other development partners. In fact, these were to be viewed as a fundamental rethinking of external relations and communications in order to project the ILO's image more

effectively, with a view to securing greater support for the Office's programme — financial and otherwise. In this context the strategy included a wide range of possible means to increase the ILO's visibility and the scope for funding of its programmes. As part of these efforts the strategy envisaged specific promotional campaigns in support of funding of priority programmes, such as the workers' and employers' programmes and the global programmes.

The strategy paper specifically recognized the need to attract experienced communication staff and to work with outside professionals in this field. In other words, emphasis was laid on the need for a professional approach to deal effectively with this part of the resource mobilization strategy and for attempts to secure the necessary budget allocations. Implementation of this part of the strategy is expected to commence in 1999.

Critical issues

Internal adjustments and improvements must be made to the Office's working methods relating to resource mobilization. Roles need to be better defined and more coherently related to each other in order to provide the synergy required to guarantee the impact and effectiveness of the resource mobilization efforts. Related staff training should be provided. Internal and external communications should be improved to ensure better efficiency at work and effective dissemination of the ILO's image as an organization capable of making solid contributions in its fields of competence.

Technical cooperation and United Nations reforms

Reform of the United Nations

The launching of the Secretary-General's reform package in July 1997 was without doubt the most significant event in recent years for the operational activities of the entire United Nations system at country level. The reform measures are expected to have a profound impact on the cooperation and coordination of United Nations funds, programmes and specialized agencies amongst themselves and with other actors such as the Bretton Woods institutions. The reform proposals basically consist of two tracks. The first track relates to those managerial initiatives and decisions that fall within the authority of the Secretary-General in his capacity as chief administrative officer of the United Nations, such as streamlining the work of the Secretariat, and thus can be taken immediately. The second track includes those structural changes which can be accomplished only with the approval of member States. Introducing his programme for United Nations reform, the United Nations Secretary-General noted that "reform is a process, not an event". Many of the issues under discussion, notably those concerning governance and financing, will require extensive and long-term political negotiations that may continue into the next century.

United Nations Development Group

As part of the first track of the reform measures, all United Nations departments, offices, funds and programmes were grouped in four principal sectoral areas of the

organization's work: peace and security, economic and social affairs, humanitarian affairs and development operations. Human rights issues cut across the four sectoral groups. As regards development activities, the most important organizational change was the creation of the United Nations Development Group (UNDG) in September 1997, set up to provide unity of action and synergies between the different areas of the entire United Nations system. UNDG's core members are UNDP, UNFPA and UNICEF; however, other United Nations entities can participate on a more ad hoc basis according to their interests and mandate. Under this arrangement, the individual funds and programmes retain their own line management, corporate identity, constituency base and resource mobilization functions. However, UNDG is structured so as to encourage coordination and integration at headquarters and at the country level. The Executive Committee which manages UNDG comprises the executive heads of the respective United Nations funds and programmes and is chaired by the administrator of UNDP. The United Nations Development Group Office (UNDGO), funded by UNDP, has been set up to provide support for the Resident Coordinator System and secretariat services to the UNDG, its Executive Committee and Support Group. Specialized agencies, in their capacity as independent entities of the United Nations system, are not directly affected by this restructuring. From the standpoint of the ILO, the creation of the Development Group has established a new partner in development, with more authority and a greater resource base, which will clearly bring about important changes in the relationship and modalities for collaboration with the United Nations and its funds and programmes.

United Nations Development Assistance Framework

The United Nations Development Assistance Framework (UNDAF), for which the UNDGO was entrusted with the responsibility for its pilot implementation, is a key component of the Secretary-General's reform programme and is intended to be the centrepiece of United Nations development cooperation at the country level. UNDAF was primarily set up to overcome the fragmentation and overlap of United Nations development assistance at the country level by providing a framework for collaborative planning of United Nations development cooperation. In particular, the Secretary-General requests all United Nations funds and programmes conducting development activities in a specific country to join together in the preparation of a common programme and resource planning framework, in full consultation with and in support of the government concerned. Participation in the UNDAF exercises is mandatory only for the United Nations funds and programmes, while specialized agencies are invited to join on a voluntary basis. Eighteen countries were identified for the pilot phase and finalized their UNDAFs by the end of 1998. While UNDAF was introduced initially only on a pilot basis in these 18 countries, the aim is clearly global application. Within the next two years, it is expected that the number of countries which have an UNDAF will be in the region of 50 or 60.

The process of preparing the UNDAF starts with the preparation of a Common Country Assessment (CCA). The CCA is a needs assessment tool, with which the field representatives of participating members (United Nations, government, others) jointly compile, review and interpret a common set of indicators as a basis for their planning and programming activities. In contrast to an in-depth analysis, which focuses on underlying causes, the CCA is designed primarily to identify those areas which require

priority attention for development assistance and to identify trends in the evolution of the relevant indicators. The main goals of the CCA are to combine the assessments of each agency in preparing its country programmes and to create a common information base for the activities of the United Nations funds and programmes.

UNDAF is prepared by the Resident Coordinator as the leader of the United Nations Country Team. The establishment of Inter-Agency Thematic Groups and their active involvement from the initial planning through to support for implementation and monitoring will constitute an important base to ensure ownership, participation, and support in the management of UNDAF.

UNDAF will also contain a programme-resource framework indicating the broad order of magnitude of resources that the various funds and programmes and participating agencies might be able to mobilize for a given planning period. These will be compared with the country needs as identified in the CCA and could support resource mobilization efforts.

Some of the ILO area offices participated actively in the UNDAF process and reported their experiences back to headquarters. These reports from the field described varied experiences. On the one hand, it was felt that UNDAF represented a particular challenge and opportunity for the ILO to influence the programming framework of the United Nations funds and programmes to its own particular interests and concerns. The UNDAF exercise, although being time-consuming, reinforced substantive (rather than merely administrative) cooperation and represented an opportunity to engage in a constructive dialogue with the entire system at the country level. Area offices were of the opinion that the ILO's mandate and priorities were taken into account in the process and expected that the ILO's participation would bear fruit in the long run, particularly in promoting the Organization's mandate and values. Moreover, the UNDAF exercise might put the ILO more directly in touch with government ministries responsible for resource allocation, such as the Ministries of Finance or Planning. On the other hand, it was reported that the ILO's full participation in the UNDAF was constrained in some cases by the physical absence of either the area office or the MDT. Furthermore, various reports indicated that the UNDAF exercise entailed a significant amount of workload.

The key issue for the ILO, in its capacity as a specialized agency with particular technical competences and with its own mandate and objectives, is to ensure that the objectives and priorities as agreed upon with its constituents and articulated in the country objectives are appropriately reflected in UNDAF, and, as such, provide a basis for future collaboration and financing of ILO technical cooperation. Guidelines have been issued to the Office's field structure to ensure that the UNDAF process takes account of the ILO's competencies and comparative advantages.

Strengthening the Resident Coordinator System

The Secretary-General's reform proposals also include a series of provisions to further strengthen the Resident Coordinator System, which provides a forum for dialogue on development issues and offers scope for collaboration at the country level. These measures include in particular new selection procedures, and performance assessments of resident coordinators. Recruitment of resident coordinators/resident representatives has been extended to other United Nations organizations. In addition, special training measures for resident coordinators have been put in place in coopera-

tion with the United Nations Staff College and the Consultative Committee on Programme and Operational Questions (CCPOQ). The key objectives of the newly introduced performance appraisal of resident coordinators are to identify success and problem areas and to provide counselling where appropriate. The related guidelines for competency assessment were issued in 1997.

The establishment of sectoral and intersectoral Inter-Agency Thematic Groups, under the umbrella of the Resident Coordinator System, has allowed the ILO to keep a close and constructive contact with other agencies and stakeholders at the national level. By acting as lead agency and chairing some of these thematic groups, the ILO could also contribute its own expertise and know-how on key areas of technical cooperation, such as employment issues and poverty alleviation, to the United Nations system.

Relations with UNDP

In its role as the central funding organization for technical assistance by the specialized agencies and as manager of the Resident Coordinator System, UNDP has been at the very centre of the United Nations reform process. In decisions taken in 1994 and 1995, the Executive Board moved to focus UNDP's objectives on priority development needs. UNDP's mandate now is to assist countries in developing national capacity to achieve sustainable human development. The concept of sustainable human development is based on four areas: poverty eradication, environmental regeneration, advancement of women and creation of sustainable livelihoods. Overriding concern is given to poverty eradication. UNDP has committed itself to providing about 90 per cent of its core resources to low-income countries where annual per capita incomes are less than $750 — of which 60 per cent are earmarked to the least developed countries.

A series of measures are envisaged or have already been taken to make UNDP a more decentralized and more efficient learning organization. The authority to approve Country Cooperation Frameworks has been delegated to resident representatives. The current establishment of 15 so-called Subregional Resource Facilities (SURFs) is seen as a cornerstone in the decentralization process of UNDP, underscoring the fact that UNDP headquarters is progressively moving away from its traditional technical backstopping role. Being lightly staffed and located in UNDP country offices, the SURFs will handle support tasks by acting as focal points for relevant technical support available in the subregion without, however, competing with the existing decentralized technical know-how of the United Nations system. With a country coverage comparable to the ILO's MDTs, but without themselves being the source of technical know-how, the SURFs may provide for the ILO a new counterpart for cooperation with the possibility of a more technically focused dialogue at the subregional level.

The ILO has always maintained a close dialogue with UNDP at headquarters and the field level, where area offices have been involved in the upstream stages of UNDP's programming process. Both area offices and MDTs contribute actively to the formulation of UNDP's Country Cooperation Frameworks (CCF) and Country Strategy Notes (CSN), where these exercises are pursued. Particularly in the areas of poverty alleviation and employment promotion, overlaps between the contents of the CCF and the ILO's Country Objectives exist — a fact which also facilitates the

mobilization of UNDP resources for ILO development activities. The Office has noted UNDP's new orientation on sustainable human development and has encouraged its area offices to exploit effectively the overlap and complementarities between UNDP's Sustainable Human Development (SHD) paradigm and its own concerns through close collaboration. In addition, UNDP has decided to integrate human rights issues within its SHD paradigm. In the light of the Declaration on Fundamental Principles and Rights at Work and its Follow-up, this is another area of possible collaboration for the ILO with its traditional funding partner. Follow-up activities to the Declaration could be promoted at the country level through the Thematic Groups and through collaboration with UNDP's integrated human rights and sustainable human development programmes.

National execution, country strategy note and the programme approach

The modalities of multilateral technical cooperation, in particular as they relate to UNDP-funded activities, have undergone profound changes in recent years. National execution refers to the arrangements whereby national authorities are entrusted with UNDP resources to carry out development activities and retain the main responsibility for the achievement of results and impact with the aim of building national capacity to plan, manage, and implement development programmes. The decision to promote national execution was taken on the basis of goals such as capacity-building, sustainability, impact, self-reliance, and cost-effectiveness. New procedures were finalized and became effective in April 1998. The role of the specialized agencies is clearly defined in the new NEX procedures. As a privileged source of specialized knowledge, the agencies continue to play a key role in providing support to nationally executed programmes and projects, both as implementing agents and in the provision of technical services. Governments are encouraged to utilize these services in respect of all programmes and projects, so as to better ensure their technical viability, quality and impact.

Over the past few years, a number of trends in the management of nationally executed projects have been emerging. Execution of projects by non-governmental institutions has become increasingly important, as NGOs often possess a unique knowledge of local situations and experience with community-based approaches. Since 1995, the United Nations Office for Project Services (UNOPS) has been formally separated from UNDP. In view of its alleged competitive edge in administration, procurement and contracting, a growing number of large and complex development programmes have been managed by UNOPS under "direct execution". National execution has also been used as a tool for mobilizing government cost-sharing in several countries, often through financing from the multilateral development banks. Although governments continue to express their full support for national execution, there are also concerns that this modality reduces the opportunities of specialized agencies to play their role effectively in development cooperation at the country level.

As the formerly predominant project approach did not always obtain the expected results and often failed to be integrated into larger national objectives, the programme approach was introduced by UNDP as a methodology for addressing a set of development problems in a coherent and integrated manner. The articulation of these problems and the resulting strategies for their resolution are contained in a national programme framework document.

Another major development concerns the progress made in the preparation of Country Strategy Notes (CSN). Defined as a national or government document, the CSN represent a medium-term strategic framework with sectoral and thematic objectives and targets for cooperation between the country concerned and the United Nations system. The CSN process is active in some 93 countries to date. In many countries the ILO contributes actively to the formulation of the CSN by stating its priorities, as expressed by its constituents, in the social and labour fields. Thus, the involvement in the CSN exercise has often provided the ILO with an opportunity to influence the broader United Nations agenda, in particular the upstream stages of UNDP's programming process, according to its own mandate; it has also enabled the ILO to maintain a constructive relationship with UNDP — which also may have facilitated the mobilization of resources.

Resources for technical cooperation

UNDP is the United Nations largest source of assistance for development and the main body for coordinating the United Nations development work around the world. In the case of ILO technical cooperation projects, UNDP remains the ILO's largest single donor, accounting for almost 35 per cent of all extra-budgetary expenditure in 1997. In many countries UNDP is the only really viable source of extra-budgetary funding. In addition to its role as financial partner for ILO activities, UNDP is also important in view of its central role in the United Nations system. As manager of the Resident Coordinator System, UNDP supports governments to coordinate development activities and to formulate the broad framework for national development through multisectoral programmes. Changes in UNDP therefore directly influence the volume, substantive direction and character of ILO technical cooperation.

In addition to the declining role of the specialized agencies, UNDP's funding situation itself remains critical. In order to mobilize core resources on a more predictable and assured basis, the Executive Board, in its decision 98/23, adopted an annual funding target of $1.1 billion and decided to develop a multi-year funding framework as well as a new pledging mechanism. Under this mechanism, member countries would make a funding commitment for the current year and, for those in the position to do so, a firm contribution or indication for the second and third years.

Policy implications of the United Nations reform for the ILO

The reform proposals and measures already taken generally show a strong thrust for moving beyond mere "coordination", information-sharing and complementary action towards a more centrally directed and managed United Nations system — and a more unified United Nations presence at the country level.

United Nations reforms are certainly going to continue with the full support of the member States in ECOSOC and in the General Assembly. There are potential implications for the ILO (and other specialized agencies) in operational terms, particularly in the context of the UNDAF.

The ILO's unique tripartite structure, with a strong participation of its constituents, should maximize the potential of the UNDAF to promote its priorities, values and mandate as well as the priorities of the constituents.

It is important that the ILO should develop a new and stronger partnership with the UNDG, particularly UNDP, which has been and will continue to be the ILO's main source of funds for its technical cooperation activities at the country level; indeed, it is in this context that the UNDAF becomes the major tool under the leadership of the resident coordinator/UNDP resident representatives and the United Nations country teams.

To conclude, the Office will need to continue following the monitoring of the United Nations reform process very closely and to analyse the implications in terms of opportunities and challenges so that it might take appropriate action.

Partnership with the international financial institutions

During the period under review, the ILO carried on a close policy dialogue with the Bretton Woods institutions, networking at the analytical and research levels by means of a systematic exchange of ideas and information, joint seminars and conferences, and technical cooperation at the country level. In addition, collaboration with both the World Bank and the International Monetary Fund (IMF) was strengthened by high-level interpersonal working relations. The commitment of both the institutions to continue and enhance this collaboration has been clearly demonstrated.

The policy dialogue with the World Bank and the IMF

The scope of the policy dialogue with the Bretton Woods institutions has broadened in recent years beyond the key issue of structural adjustment to include issues relating to globalization and economic growth, the relationship between economic and social development, and a variety of labour market and social issues. The main subjects of dialogue have encompassed the social and employment impact of structural adjustment policies and of globalization, labour law and wage policy issues, labour market issues, social security and pensions, enterprise development and rural credit, employment policies, gender issues and training. In addition to promoting the primary objectives of core labour standards and enhancing tripartism and social dialogue, the Office has expressed a particular interest in the labour and employment implications of macroeconomic and adjustment policies and played a leadership role in promoting the need for job-creating economic growth involving productive and rewarding employment under safe and healthy conditions; it has also welcomed the opportunity to provide advice and to involve its tripartite constituents in debate on some of the issues. The Bretton Woods institutions have been mainly interested in seeking the ILO's views on labour market, wage policy and social safety net issues, and cooperating with the ILO, especially in promoting a dialogue with the trade unions at the country level; indeed, they view the unions, along with representatives of business, as an important part of their efforts to reach out to civil society at the country level.

Sustained institutional debate has helped bring the institutions closer together and there is generally much common ground in the policy dialogue on such issues as aspects of social development. Significant differences did, however, emerge, especially on policy conclusions drawn from these analyses. Both the World Bank and

the IMF increasingly recognize in their work the importance of basic human rights in the labour market and recognize that regulations and standards cannot be looked upon merely as costs, as they deliver important benefits.

The ILO believes that one of the main purposes of the policy dialogue is to promote acceptance of core labour standards and established principles concerning tripartism and social dialogue. For this reason, the Office undertook a series of policy initiatives in these areas, including a high-level mission to the World Bank in March 1997 and October 1998, technical seminars on core labour standards and social dialogue at the Bank and the Fund in May 1998.

As a result the IMF has publicly stated its support for the ILO's fundamental labour standards. The World Bank, on the other hand, has been more constrained by its mandate to seek an economic rationale for its approach to these standards. It has found it easier to address issues of child labour, forced labour, and discrimination rather than issues concerned with freedom of association and the right to collective bargaining.

Nevertheless, a joint commitment has come out of the high-level dialogue of October 1998 to continue efforts at converging on core standards. Certain progress has also been made with respect to fundamental labour standards at the formal policy level within the World Bank group where the Board of Directors adopted, in 1998, a common policy for the Multilateral Investment Guarantee Agency (MIGA) and the International Finance Corporation (IFC) requiring that both institutions would not support projects that used forced labour or harmful child labour. This was one of several policy measures adopted in connection with a major MIGA capitalization in 1998. Internal discussions are also under way within the Bank group structure on the possibility of a related measure being taken in relation to the forthcoming twelfth replenishment of the International Development Association (IDA).

The policy dialogue on labour and employment issues with both the Bank and the IMF has also been enhanced in various United Nations committees. For instance, there has been much collaboration in the follow-up to the Social Summit through United Nations inter-agency task forces. Both the Bank and the IMF participated actively in the ILO-chaired ACC Task Force on Full Employment and Sustainable Livelihoods, whereas the ILO was a member of the World Bank-led Inter-Agency Task Force on an Enabling Environment for Economic and Social Development. Both task forces undertook a number of country reviews and studies to which ILO area offices contributed significant inputs.

It should also be noted that the commitment of both Bretton Woods institutions to a broader and intensified cooperation has been demonstrated by a series of meetings and official visits — starting with the address to the International Labour Conference by the Managing Director of the IMF in 1991 and followed by the invitation to the Director-General to meet the Interim Committee of the IMF in October 1995. In May 1996, the ILO received, for the first time, an official visit from a President of the World Bank, Mr. Wolfensohn. This was followed by a second visit in June 1997, when he addressed the plenary of the International Labour Conference and engaged in an informal dialogue with the ministers of labour and representative groups of employers and workers. Mr. Wolfensohn emphasized the importance of people's rights, the need for social justice and equity and the interdependence of good economic and good social

promotion of social development and reiterated the links and complementarities of the

work of the ILO and the Bank, ensuring the high-level policy dialogue in October 1998.

Country-level cooperation

The importance of country-level collaboration and dialogue has been stressed formally by the Director-General to all ILO offices and teams in the field; the Managing Director of the IMF sent a similar guidance letter to all Fund staff in the field, in an initiative following the Interim Committee Communiqué which reported on that Committee's meeting with the Director-General in late 1995.

The new more systematic and comprehensive decentralization of World Bank operations to the field level should enhance opportunities for country-level dialogue and cooperation, especially in view of the strengthened decentralization of the ILO's own structure. World Bank-financed technical assistance projects on social security, vocational training, infrastructure and small enterprise development and micro-finance are ongoing or in preparation in a number of countries. However, while the ILO continues to execute a number of such projects, the volume of such technical assistance has declined in recent years as the ILO's focus has concentrated more on the provision of policy advice, in a more selective approach to cooperation. In this respect the ILO is also cooperating with the World Bank and UNICEF in a joint study on the impact of globalization on child labour.

Increased cooperation in the field of child labour may be expected, as the Bank is embarking on a new initiative to tackle this issue, following approval of its position paper on child labour in 1997. Discussions are also taking place at both headquarters and field levels to try to maximize the complementarity and mutual support of the efforts of both institutions in this field.

Current issues of collaboration

The 1998 ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up has provided a strong impetus for the ILO's policy initiatives on fundamental labour standards. This is particularly true in the case of the World Bank, where discussions have progressed from emphasizing the need for consistency to include the potential role of the Bank in promoting these standards through its development programmes, in line with the promotional nature of the Declaration. This was a major feature of the October 1998 high-level policy dialogue, which also concluded with an agreement to carry out joint work and research on the interaction between fundamental labour standards and economic development.

The importance of ongoing cooperation and an enhanced dialogue with the Bretton Woods institutions became especially apparent during the financial crisis in a number of Asian countries. The social impact of this crisis has drawn particular attention to the role of fundamental labour standards and social dialogue. ILO staff have also helped to identify priorities for Bank-funded projects, and have participated in donor coordination meetings. The ILO is cooperating with the World Bank and the Asian Development Bank in the case of Indonesia, the Republic of Korea and Thailand and is involved in the design of lending programmes aimed at addressing the social impact of

[illegible] participated actively in the ILO High-Level Meeting on Social Responses to the

Financial Crisis in East and South-East Asian Countries, held in Bangkok in April 1998, as well as in the ILO's international consultation in Bangkok on the follow-up to the Social Summit (with special emphasis on the Asian crisis) in January 1999. For its part, the ILO attended the World Bank's regional meeting on social issues arising from the East Asia crisis. At the request of the Governing Body, a round table meeting on the financial crisis was organized in Geneva as part of the March 1999 Governing Body session, with high-level participation from the World Bank and the IMF.

The regional development banks

During all the years the ILO has been working together with the regional development banks, cooperation with the Asian Development Bank (AsDB) has perhaps been the most substantive. During the 1980s and early 1990s, the ILO provided many technical consultants to support AsDB missions, and executed eight technical assistance projects financed by the Bank. Technical consultations were held regularly on a yearly basis. ILO implementation of two new technical assistance projects was successfully negotiated in 1996; the first was in Nepal, concerning rural infrastructure development; and the second in the Greater Mekong subregion, concerning employment promotion and training. Both projects were completed successfully and the former led to approval of follow-up technical assistance in the same field. As is the case with all development banks, there is usually a competitive bidding process in the selection of consultants to implement technical assistance projects financed by the AsDB. In the case of the Greater Mekong project and the second Nepal project, however, the Bank awarded them to the ILO without going through a bidding process. At the policy level, the ILO has contributed substantively to the Bank's published policy document on indigenous peoples.

With respect to the African Development Bank (AfDB), the formal ILO/AfDB joint consultations and joint work programme have been suspended for some time as a result of the ILO's own reorganization and the fact that the AfDB has been going through its own period of renewal. Consultations recently resumed at the field level and substantive cooperation in technical assistance has recommenced. For example, activities are being carried out in Gabon, Cameroon and Sao Tome and Principe, mainly in the fields of poverty reduction, training and gender.

ILO staff at the field level maintain regular contacts with the Inter-American Development Bank (IDB) for coordination and mutual cooperation. Many years ago, technical assistance agreements were concluded between the ILO and the IDB; but since then, both the ILO and the IDB have changed their requirements. Recent efforts to agree on acceptable contractual terms have been very difficult, and progress has been slow; nevertheless, an agreement was signed in 1997 for the ILO (CINTERFOR) to execute a subregional project on vocational training for low-income women, financed by the Bank's Multilateral Investment Fund (MIF), and a joint publication on *Programas de Empleo e Ingresos en America Latina y el Caribe* was published in 1998

An institutional cooperation agreement was signed with the European Bank for Reconstruction and Development (EBRD) in 1992. Both institutions regularly exchange information and documentation. Early cooperation in the elaboration of a

preparations for this policy. Until now, the EBRD has not been considered a likely source of technical assistance financing for the ILO. The ILO London Office, in cooperation with headquarters and the Regional Office for Europe (EUROPE), is continuing to monitor these developments.

International Training Centre of the ILO

During the 1993-97 period, the Turin Centre increased its activities twofold. The number of participants in these activities tripled and, amongst these, four times as many were trained in their own country compared to the previous reporting period. Today, in terms of volume, the technical cooperation provided by the Centre accounts for 25 per cent of ILO's technical cooperation as a whole.

These developments have occurred in a difficult context because the Centre has had to cope with an increasingly competitive "market" in which there is a growing number of both public and private operators. To take on these challenges, the Centre has adopted a promotional strategy based on a diversification of funding sources and designed, in a more systematic way, "tailor-made" training projects — often in partnership with other institutions; it has also developed new training products targeted at needs and "high-demand" programmes with, as a corollary, increased quality control; finally, it has maintained its costs and prices at the lowest possible level (within the limits imposed by the financial parameters within which the Centre has to operate). In addition, the Centre has equipped itself with a unit specialized in the preparation of tenders which has resulted in it winning 24 tenders over the past two years. This is a vital indicator of the competitiveness of its costs and the quality of its products. The Centre has also endeavoured to create working relations with new sources of funding such as the regions of Europe and the European Union. In so doing, it has adjusted to the budgetry mechanisms of these new donors, especially the European Social Fund (ESF).

From a qualitative standpoint, there have been some very interesting developments. The Centre has come a long way from the days when its functions were limited to long- and medium-term technical training sessions on its own premises; now it provides a wide range of services. The latter include, often under projects of several years' duration: advisory services or missions, before and after training; the implementation of actual training programmes, located according to needs; the design of guides and teaching materials, and the organization of individual courses in enterprises or specialized centres.

The share of vocational training and the relative weight of the Centre's interventions in the technical vocational training sector have been rapidly declining during the past few years; they now account for 20 per cent of the annual volume of activities. Areas in which the Centre's activities have expanded are: management training; support for the creation of enterprises; workers' education; social security; the reform and management of labour market institutions; industrial relations; human resource management; and international labour law. Specific actions in these various fields also focus on the promotion of equality and women's working conditions.

This trend may be attributed to increased cooperation between the technical

exception, regularly request services from the Centre. This involves defining the training needs of the activities in these departments and designing the nature of the Centre's programmes — which often require, for their implementation, experts from headquarters. There has also been an increase in the development of joint projects.

For instance, the training programmes of the trade unions and employers' organizations are totally integrated into the respective programmes of the ILO; indeed the Workers' and Employers' groups of the Governing Body regularly provide guidelines for and evaluate these programmes. These have gradually been built upon because of a move — which could be further extended — to include a wider participation of trade union circles and employers' organizations in other programmes of the Centre.

Similarly, the programming of regional RBTC funds made available to Turin is now decided upon in agreement with the ILO's regional departments and MDTs in order to fulfil country objectives. The Centre has been able to increase significantly the scope and impact of actions undertaken with the ILO's RBTC by ensuring co-funding with other sources available to it on a regular basis. For example, an average estimate for the African region shows that, for an investment of one dollar of ILO RBTC funds, the Centre attracted 1.5 additional dollars from other sources that it was able to mobilize to supplement the investment. In this way, the Centre enhances the ILO's capacity for action and impact in the field, especially in the fulfilment of country objectives.

This cooperation with ILO services, both at headquarters and in the field, has made it possible to carry out a series of programmes in the ILO's three priority areas: social protection; democracy and human rights; poverty alleviation and job creation.

For instance, in addition to the training provided to reinforce the structures and methods of trade union training activities, a new generation of programmes was produced on specific areas of trade union action: the economic analysis of enterprises; industrial relations; techniques for the settlement of disputes; and international labour standards.

Another technical field for which the Centre has gained recognition for its capacities, working together with the ILO Enterprise Department, is the management and creation of enterprises. Compared to the previous biennium, the volume of activities for the 1996-97 period registered a very significant increase of nearly 35 per cent of projects or programmes entrusted to the Centre.

Another striking example is that of social security. Given the extent of the reforms in this area, especially in the transition countries, and the subsequent needs for these countries to redeploy and train supervisory staff in social security institutions, there has been an increase in the number of requests for assistance. The cooperation between the Social Security Department of the ILO and the Turin Centre (with the backing, in specific cases, of the International Social Security Association) took definite shape in 1996 when an ILO expert was detached to the Centre and a technical group set up. During the 1996-97 period, this cooperation took two forms: the design of teaching materials on pension schemes, social security funding and their testing in training programmes; and the preparation of training programmes for social security institutions and technical cooperation projects.

The reform of labour market institutions was also a major objective of the Centre's activities; the number of projects in this area is constantly on the increase. These [illegible]

adjustment measures. For the most part, they deal with the reform of vocational and technical training systems, the organization of employment agencies and offices, employment policies and industrial relations. The Centre's projects and programmes were extremely instructive, plainly revealing the key importance of technical deployment and the training of officials in these institutions in reforms undertaken by the member States.

The Centre is turning more and more to advanced technological means for its training activities and is developing distance learning which it has already introduced into some of its programmes.

Another vital aspect of the Centre's strategy is worth recalling: the localization of part of its activities in the field and the need to improve the quality of its products have led the Centre to build up a network of cooperating centres and institutions of excellence around the world.

The Centre has also designed and developed new products. An interesting case in point is the new technical training programme in supply management and procurement equipment for technical cooperation projects. As part of an overall training module designed with the support of the World Bank, this programme enjoys wide recognition today and demand for it is constantly growing. It is a good example of a product for which needs were carefully analysed and actively promoted. Recently, the SIGMA programme (support for improvement in governance and management in Central and Eastern European countries) of the OECD, in cooperation with the European Commission, requested the Centre to design a similar management programme for public administrations.

The Centre thus fully fulfils the mandate entrusted to it by the ILO when it has the means and opportunities to develop its specific competence for the benefit of ILO development projects. It allows the ILO to confirm the findings of its research or technical cooperation activities by including them in training programmes, therefore making them available to a very wide audience (in 1997, 6,200 participants from 170 countries came to the Centre).

In addition to all this, a number of programmes, funds and agencies of the United Nations system increasingly benefit from the training skills of the Centre. In 1996, the various programmes implemented had expanded to such an extent (including such areas as coordination, social and economic development, management development, training linked to peace-keeping and peace-making activities, human rights and humanitarian actions) that the project of the United Nations Staff College was launched; the execution of this project was entrusted to the Centre and inaugurated by the United Nations Secretary-General, Mr. Kofi Annan.

The activities of the United Nations Staff College accounts at present for nearly 20 per cent of the Centre's total activities. This project provides the ILO with the opportunity of taking an active part in various United Nations programmes concerning the social and economic aspects of development, in particular human rights.

The Centre therefore allows the ILO to fully play its role and even to extend it, not only with respect to its constituents but also within the United Nations system. It also enables the various institutions within the system to cooperative effectively through training and to build up the necessary cohesion between their staffs, thus creating a true team spirit.

Enhanced transparency and accountability: Design, monitoring and evaluation of ILO technical cooperation programmes and projects

Background

There has been an increasing demand during the 1990s for enhanced transparency and accountability of the ILO's activities as a means to ensure "value for money". Such a demand has been forcefully expressed by its constituents, but the pressure has also been felt from the international community as a consequence of similar calls of member States for the United Nations system as a whole to become more relevant and effective.

The management concerns which were addressed in the resolution on the role of the ILO in technical cooperation (1993), emphasized the need for the introduction of a more systematic methodology for the design, monitoring and evaluation of ILO activities to be applied throughout the Office.

The Office responded to this resolution by developing the Monitoring, Evaluation and Reporting System (MERS), which is applicable to all ILO activities irrespective of the financing sources. The system is based on a "management-by-objective" approach adapted to the ILO's specific needs and is aimed at self-management.

The Office-wide generalization of the use of the MERS for the programming and management of all ILO activities was established in 1997. The special management concerns of technical cooperation activities were also addressed in a circular in 1997 (No. 46, Series 13), which established the updated procedures for the design, monitoring and evaluation of ILO technical cooperation programmes and projects.

These procedures apply to all extra-budgetary as well as RBTC-funded activities. They aim at enhancing the impact of the ILO's technical cooperation activities by ensuring high-quality design, efficient monitoring mechanisms, systematic evaluations and the effective use of evaluation results for the programming of future activities. They also stipulate the elaboration of annual workplans and the preparation of periodic progress reviews and annual self-evaluations for all technical cooperation programmes and projects. In addition, independent evaluations are mandatory for all programmes and projects with budgets totalling US$250,000 or more.

All the guidelines concerned with technical cooperation activities have been updated to incorporate the experience gained following their application in recent years and as a result of the introduction of the MERS concepts and tools.[4] An important improvement to be noted can be found in the guidelines for the preparation of documents on project ideas — better known as Summary Project Outlines (SPROUT). These documents must now include additional elements, namely definition of the indicators of achievement, description of the monitoring and evaluation arrangements and provision in the budget for independent evaluations.

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[4] ILO: *Revised guide to the preparation of workplans, progress review and self-evaluation reports for technical cooperation programmes and projects* (Sep. 1994); *Guidelines for the preparation of independent evaluations of ILO programmes and projects* (May 1997); *Guidelines for the preparation of summary project outlines for multi-bilateral financing* (Aug. 1997) (all published by PROG/EVAL, Bureau of Programming and Management, ILO, Geneva).

In addition to the guidelines, a training manual has been published [5] on the design, monitoring and evaluation of technical cooperation programmes and projects. Briefings and training activities for staff and project personnel have continued to take place regularly, the latter in close collaboration with the ILO's International Training Centre in Turin. During the 1995-98 period more than 600 ILO officials and experts were trained and more than 300 benefited from individual briefing sessions by the Evaluation Unit. Furthermore, 175 ILO officials and a smaller number of national staff in ILO member States were trained in the general use of the MERS concepts and tools during the same period.

Until 1992, headquarters was responsible for ensuring the quality of programme/project design by means of an obligatory screening procedure, which was applied to all programme/project proposals before their submission to the donors. Since 1993, this responsibility has been transferred to the technical departments and field units which at present are responsible for ensuring the quality of the design, and the effective monitoring and evaluation of project implementation. Headquarters continues to be responsible for following up on the evaluations to be carried out, reviewing the quality of evaluation reports and enforcing the use of evaluation findings and lessons learned in the design of future programmes and projects.

The involvement of the intended beneficiaries — and particularly the ILO constituents — throughout the programming cycle, remains crucial to ensure the relevance and effectiveness of the programmes and projects. Their participation in the project design, monitoring and evaluation not only contributes to a good formulation of the project document and a better monitoring of project implementation, but also brings about a sense of ownership and provides for the sustainability of the projects' results.

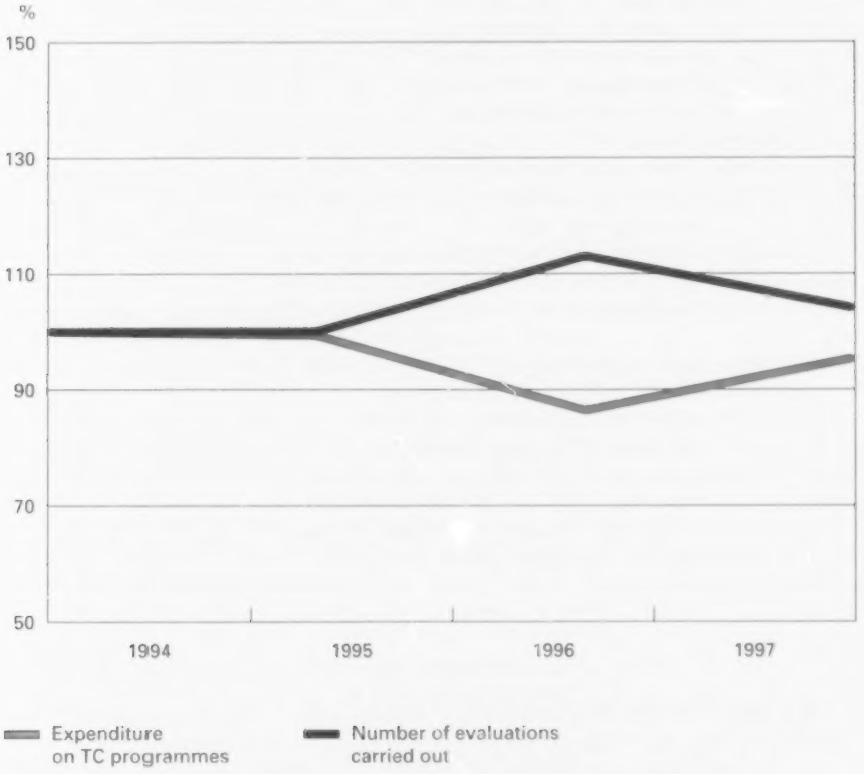
Project design

In terms of design, emphasis is placed on: the sound analysis of problems and needs giving rise to the programmes and projects; the precise formulation of objectives stating the solutions to the identified problems and needs; the clear definition of indicators of achievement describing the expected changes; and the detailed description of the required outputs, activities and inputs.

An analysis of a sample of project documents drafted in recent years shows that an increasing number of these documents contain clear statements of objectives and well-defined indicators of achievement. It is crucial that these elements are precisely defined in the design phase of the project in order to determine the effects and impact expected. And past experience has shown that it is precisely such definitions which are most difficult to establish in the project formulation phase; indeed, this is an issue which has always required careful attention and much clarification in training workshops and briefing sessions.

[5] ILO: *Design, monitoring and evaluation of technical cooperation programmes and projects: A training manual* (Geneva, 1995). About 850 copies of the English, 350 of the French and 200 of the Spanish version have been sold to date. This is a clear indicator of the interest shown in the manual outside the ILO.

Figure 3.2. Number of evaluations versus expenditure on TC 1994-97 (index: 1994=100)



Source: PROG/EVAL database; ILO: Reports of the Director-General to the International Labour Conference: *Activities of the ILO, 1994-95* (83rd Session, Geneva, 1996); *Activities of the ILO, 1996-97* (86th Session, Geneva, 1998).

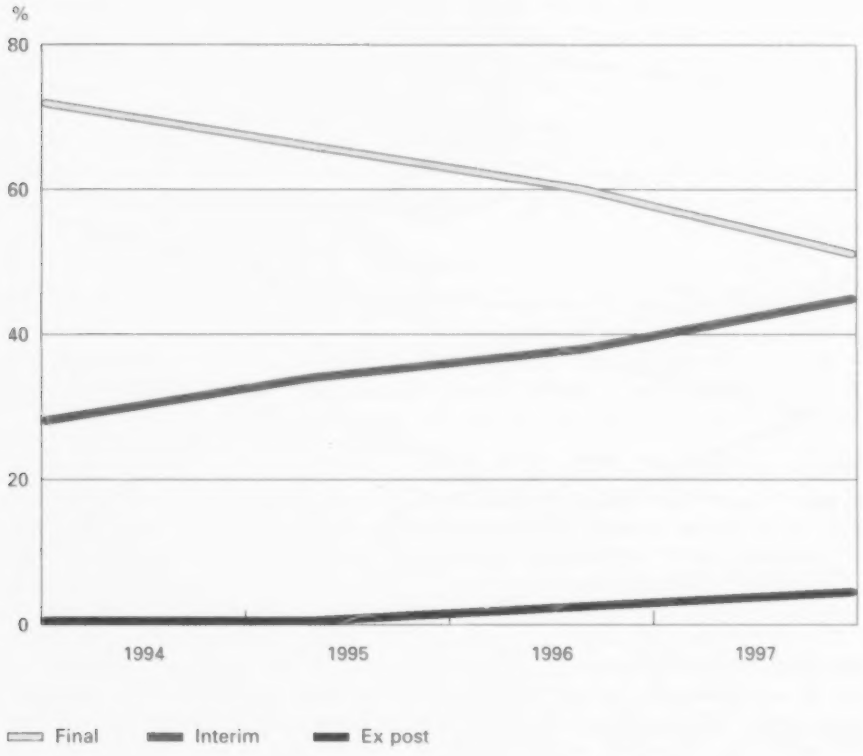
Monitoring and evaluation

The monitoring tools, namely the annual workplan and the periodic progress reviews, do not pose any major difficulties and are systematically prepared and used by project managers or coordinators.

In the ILO's evaluation system the effects and impact of the work carried out are assessed by analysing the four main evaluation concerns: relevance; effectiveness; efficiency; and sustainability. To ensure that the results of ILO activities are relevant, effective, efficient and sustainable, it is necessary to verify not only that the guidelines and procedures are applied, but also the quality of their application.

It has been observed from the evaluation reports received at headquarters, that an increasing number of evaluations are based on the assessment of the four main

Figure 3.3. Project cycle of evaluations



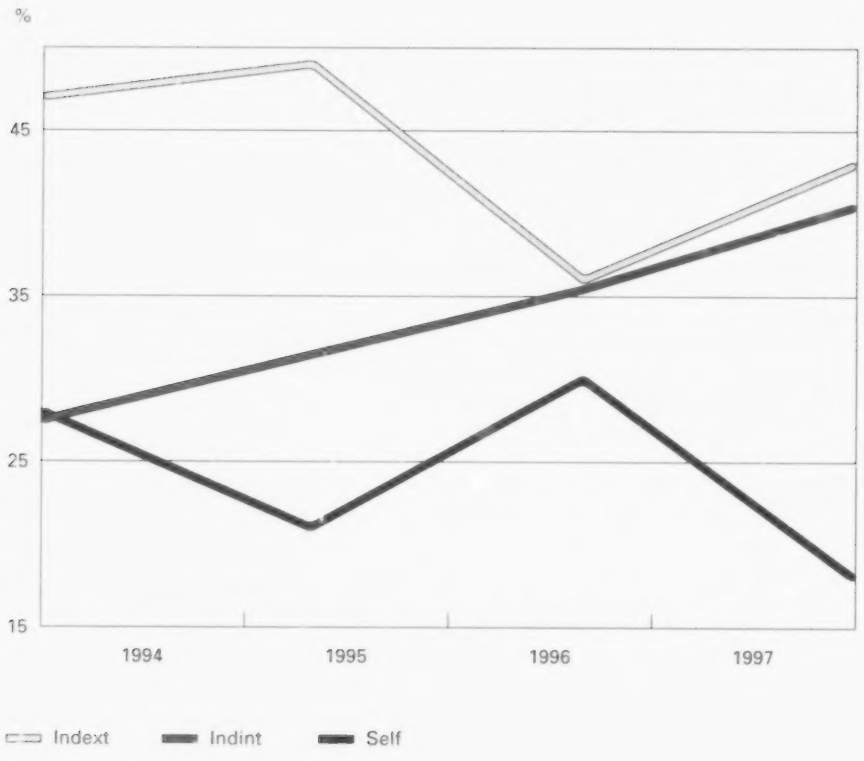
Source: PROG/EVAL database and PILS.

evaluation concerns. Independent evaluations regularly apply the guidelines — and the quality of these evaluation reports has been improving steadily in recent years; however, it could be further improved.

Figure 3.2 illustrates the evaluations carried out during the 1994-97 period, compared to the total expenditure on technical cooperation programmes during the same years. The number of evaluations carried out from 1994 to 1995 remained more or less stable. Subsequently, there was a slight increase until a peak of 113 evaluations was reached in 1996. It is worthwhile noting that 1996 was the year in which total expenditure on technical cooperation reached its lowest level during the period under review.

Figures 3.3 and 3.4 give a breakdown of the types of evaluations carried out in terms of timing (interim, final, *ex post*) and of self- and independent evaluations (self-, independent-external, independent-internal) during the 1994-97 period.

Figure 3.4. Self- versus independent evaluations



Indext: independent external evaluations
Indint: independent internal evaluations

Source: PROG/EVAL database and PILS.

From figure 3.3 it may be observed that interim evaluations became increasingly important during the period under review. In 1994, 33 per cent of all evaluations were interim evaluations; by 1997 this share had increased to 44 per cent. This trend may be interpreted as reflecting a greater interest in ensuring that programmes/projects attain their objectives. Figure 3.3 also shows an increase in the number of *ex post* evaluations, which focus on the assessment of the long-term impact of programmes and projects. *Ex post* evaluations, however, are still seldom carried out, due to the fact that project accounts are closed upon termination of the project, thereby leaving no funds available for conducting evaluations.

Figure 3.4 shows that the share of self-evaluations out of the total number of evaluations increased from 26 to 39 per cent between 1994 and 1997. This reflects the

fact that self-evaluations are indeed being carried out according to the guidelines. Figure 3.4 also implies a shift in favour of independent-external evaluations, as indicated by the increase of their proportion out of the total number of independent evaluations — from 63 per cent in 1994 to 70 per cent in 1997. This represents a welcome development given the overall higher quality of most independent-external evaluation reports compared to other evaluation reports.

In addition to individual project evaluations, thematic evaluations are being carried out regularly, cutting across several projects and/or technical programmes or sectors. The discussion of lessons learned from these evaluations is important to enhance a multidisciplinary approach in the Office and to ensure that the findings are incorporated into the design of new programmes and projects.

Dissemination

The dissemination of the findings of individual programme/project evaluations is being reinforced in different ways. First, the computerized ILO technical cooperation evaluation database, which includes references to all the evaluation reports received, is regularly updated. A major step forward in the dissemination of the information contained in the PROG/EVAL database, both inside and outside the Office, has been its accessibility through the ILO Web pages.[6]

Second, evaluation workshops are organized to discuss findings and lessons learned in connection with the results of evaluation missions. In addition, information is disseminated through the continuous updating of training and briefing materials and the screening of draft proposals; the feedback provided on the review of workplans, progress reports and evaluation reports also contributes to dissemination. Furthermore, lessons learned are integrated into the annual thematic assessment papers which are submitted to the Committee on Technical Cooperation of the Governing Body.

To conclude, in response to the demands on the ILO to effectively monitor and evaluate its technical cooperation activities, a majority of programmes and projects are now being designed, monitored and evaluated with the use of established tools and concepts. Improvements and refinements on the approach, system, and ways and means of carrying out the exercise will be made as and when necessary.

Declaration on Fundamental Principles and Rights at Work and its Follow-up and technical cooperation

It would be pertinent to begin this section by referring to some of the elements related to technical cooperation in the Declaration on Fundamental Principles and Rights at Work and its Follow-up. Indeed, it states that the International Labour Conference:

> Recognizes the obligation on the Organization to assist its Members, in response to their established and expressed needs, in order to attain these objectives by making full use of its constitutional, operational and budgetary resources, including by the mobilization of external resources and support, as well as by encouraging other international organizations with which the ILO has established relations, pursuant to article 12 of its Constitution, to support these efforts:

[6] The Web address of the database: http://ilis.ilo.org./ilis/progeval/ilintrpr.html

(a) by offering technical cooperation and advisory services to promote the ratification and implementation of the fundamental Conventions;

(b) by assisting those Members not yet in a position to ratify some or all of these Conventions in their efforts to respect, to promote and to realize the principles concerning fundamental rights which are the subject of those Conventions; and

(c) by helping the Members in their efforts to create a climate for economic and social development.

During both Conference and Governing Body discussions on the follow-up to the Declaration, delegates have highlighted the importance of developing technical assistance to help member States create favourable conditions and an enabling environment for applying the principles and the values expressed in international labour standards — especially those embodied in the seven fundamental Conventions in the world of work. One of the main goals of ILO activities remains the ratification and implementation of Conventions, especially of fundamental Conventions.

At the same time there was clearly an agreement to focus the follow-up of the Declaration on increased technical cooperation and on the Office's obligation to assist member States in realizing the fundamental principles. At this point it is relevant to recall that in December 1998 Indonesia pledged to ratify all fundamental ILO Conventions and that, in turn, the Office committed itself to providing all possible assistance to help this country develop a solid social infrastructure.

The Declaration is in essence a promotional instrument, an additional tool for propagating and promoting the ILO's basic values; its follow-up does not replace existing mechanisms, such as the system of supervision of standards which includes the Committee of Experts, the Conference Committee, the special procedure on freedom of association, etc. The development of technical assistance related to the Declaration therefore implies consideration of additional dimensions in existing efforts — for example in the fields of poverty alleviation, employment creation and workers' protection. The ILO's ongoing technical cooperation programmes (described earlier in the text) will be further developed and strengthened — and wherever appropriate they should reflect the basic values embedded in the Declaration.

The promotion of international labour standards has always been an Office-wide objective and an important part of the programmes of the International Labour Standards Department (NORMES), ACT/EMP, ACTRAV and various technical departments. During the debate preceding the adoption of the Declaration, delegates to the Conference suggested that efforts in this area should be reinforced.

The fundamental principles and rights defined in the Declaration may be fostered through technical cooperation in a number of areas, particularly with activities which promote:

(i) freedom of association and the effective recognition of the right to collective bargaining;

(ii) the elimination of all forms of forced or compulsory labour;

(iii) the effective abolition of child labour; and

(iv) the elimination of discrimination in respect of employment and occupation.

As mentioned in Chapter II of this report, the ILO has been implementing a comprehensive range of technical cooperation projects and programmes, many of which relate directly to the four specific areas outlined above. It is worth recalling

some of the more recent programmes, such as the International Programme for the Elimination of Child Labour (IPEC), which have been very innovative; the more traditional ones have continued to provide assistance in strengthening the capacity for workers' and employers' organizations. With the adoption of the Declaration, new or more targeted initiatives could, where appropriate, be incorporated into the programme. The following may be noted.

Freedom of association and the effective recognition of the right to collective bargaining: Promotion of social dialogue

The need for social dialogue can hardly be overemphasized. Without freedom of association and the scope for sound collective bargaining, there can be no real social dialogue; in this context, the guidance on these issues from the Committee of Experts assumes even greater significance.

The Declaration also provides the ILO with an opportunity to highlight the crucial role the social partners play in the prevention of disputes, as the essence of social dialogue lies in the direct involvement of civil society in disputes settlement and bargaining. The success of the ILO/Belgium project to promote social dialogue in French-speaking Africa (PRODIAF) demonstrates the renewed interest in this unique instrument as a factor of stability in societies in a region where conflict and civil war are still affecting too many countries. The Declaration gives the ILO an additional impetus to continue to advocate for strong and responsible trade unions and employers' organizations. Towards that end, workers' and employers' programmes might be strengthened or further focused.

The recent Asian financial crisis clearly evidenced the crucial role that the social partners might play in preventing or resolving social unrest. Not only should the role of the social partners be highlighted, but also the role played by the ministries dealing with employment, labour and social affairs. Too often in the past, the crucial participation of labour administrations, especially in the field of conflict prevention, has been underestimated and neglected. During major public service reforms, ministries of labour have often been overlooked. The unemployment crisis in Europe, the social consequences of many structural adjustment programmes in Africa, and the economic reforms in Central and Eastern Europe, have brought to light the central role that ministries of labour can play in the modern market economy. These events should spur ministries of labour in the industrialized countries and the developing countries and countries in transition to step up their exchange in experience — and in this respect the ILO should play a promotional role and act as a catalyst.

The effective abolition of child labour and the elimination of all forms of forced labour or compulsory labour

IPEC has proven that it is possible, by mobilizing political will at the national and international level, to change attitudes, perceptions and policies in this extremely sensitive area.

The adoption of a Convention on child labour will provide the ILO with a new instrument to help it advance even further in its attempts to combat the worst forms of exploitation of children. The IPEC programmes in Pakistan and Nepal, targeting bonded child labour, demonstrate that through appropriate technical assistance and a

broad partnership alliance, even very sensitive issues can be taken on successfully. The programme on child trafficking in the Mekong delta provides us with another example of a realistic, positive approach towards this delicate subject.

It would be entirely in line with the spirit of the Declaration to invite the international community to join with the ILO in its efforts to eradicate, as a priority, child labour. This approach would not imply condemning the governments facing the problem, but rather involve proposing joint actions to find solutions and helping them tackle the root causes of this ill — ignorance and poverty.

The ILO should take the lead in this exercise; it should grasp the opportunity of the adoption of the new Convention to invite the United Nations system, the international financial institutions and other development partners, to join it in its efforts and to strengthen what should be a common world programme: to eliminate the worst forms of exploitation of human beings, child slavery. At the same time, using the recommendations of the Committee of Experts as a reference base and the Declaration as a mobilizing platform, the world community could be invited to eradicate all forms of compulsory and forced labour.

Technical cooperation within the framework of the Declaration should not therefore only be limited to project development, but should also focus on developing broad partnerships with all development partners in order to assist and strengthen national capacities to cope with forced labour in general and forced child labour in particular.

The elimination of discrimination in respect of employment and occupation

The ILO has already undertaken a number of programmes and activities focusing on disadvantaged groups in society, such as the disabled and indigenous peoples, and on gender discrimination. The recent programme on More and Better Jobs for Women (WOMEMP) focuses on gender discrimination. Similar programmes could be developed for other groups discriminated against in respect of employment and occupation on the basis of race, class or religion. It has often been observed that social exclusion and discrimination go hand in hand. This consideration has been borne in mind in the proposed global programme, Strategies and Tools against Social Exclusion and Poverty (STEP), which aims at providing socially excluded or disadvantaged groups with community-based mechanisms to improve their participation in the labour market.

The Declaration and partnerships

The Active Partnership Policy (APP) provides an excellent framework for social dialogue and for working together with common understanding and consensus. The evaluation of APP by the Governing Body emphasized the important of the country-objective exercise as an opportunity to promote tripartism and other fundamental ILO values. The exercise itself could indeed be used to promote the basic values expressed in the Declaration; indeed, the next round of country objectives could document, where appropriate, envisaged country-specific objectives and follow-up actions related to the Declaration. From the year 2000 the country objectives could also reflect country-specific follow-up actions emanating from the annual and global reports that will be prepared as follow-up to the Declaration.

The Declaration, under point 3, invites the ILO to encourage other international organizations with which it has established relations, pursuant to article 12 of its Constitution, to support its efforts related to the Declaration. Under the same point, the Organization is requested to assist its Members by mobilizing all possible external resources and support. This requires, in addition to renewing partnerships with existing donor countries, making an extra effort to prove that the adoption of the Declaration was not only a declaration of good intent but a decision which merits financial support.

At this point, it is relevant to recall the special effort made by the United States Government in 1998, which provided US$30 million to IPEC to end abusive child labour. This year again the President of the United States has requested US$25 million for a new ILO programme that can help safeguard basic working conditions and improve the lives of people by assuring basic rights and necessary social safety nets. The ILO has the challenge to deliver — it invites the rest of the world community to join in the effort.

CHAPTER IV

MOVING AHEAD INTO THE TWENTY-FIRST CENTURY

This report has attempted to demonstrate that, in the light of recent major political, economic and social changes, the evolution of donor countries' perspectives on development, the reform of the United Nations system and changing perceptions and priorities of recipient countries, the decision of the United Nations agencies to seek new operational modalities was justified. These modalities were based on the need for these agencies to: focus more on their core mandates and become "centres of excellence" in their respective fields of competence; endeavour to improve the quality and pertinence of their work and pay closer attention to the durability and impact of their activities; shift from projects to upstream policy advice and programme level services where appropriate; and to strengthen national capacity and enhance national execution. Taking all these aspects into account, the ILO has based its technical cooperation strategy on three guiding principles: it should be demand-driven and respond to the needs of the constituents; it should aim at promoting the ILO's values relating to social justice, particularly those enshrined in international labour standards; and, responding positively to donors' requests, it should strive to become a centre of excellence.

The preceding chapters have described the technical cooperation programme of the ILO in terms of modalities, success stories, visibility and impact. They have also identified limitations, shortcomings and areas requiring change. Views on refinements, corrective measures or new ideas have been presented at the end of most of the sections and chapters to inspire discussion at the Conference. The information presented in this report has clearly shown that technical cooperation is of fundamental importance to the attainment of the ILO's objectives; the Organization's commitment to this programme will therefore remain as strong as ever. Its form, methods and content must, however, be continuously adapted to keep it in line with changing conditions in order to ensure its relevance to the diverse national needs of constituents. This concluding chapter will map out some of the issues upon which the Office might receive guidance from the Conference in the future.

The Active Partnership Policy

With the introduction of the APP, ILO technical assistance and services have become more demand-driven and relevant for constituents. The establishment of the MDTs has brought the ILO closer to constituents; thanks to the multidisciplinary approach, there is now greater potential for synergy, cost-effectiveness and the provision of more rapid and comprehensive responses to requests from constituents. ILO visibility has been enhanced and the ILO experts are now more familiar with the constituents' needs and thus better able to respond to them. However, there have been limitations in the implementation process and there is scope to make it work better.

There is a need for greater resources to be put to the task of ensuring that APP meets the requirements of the constituents; there must be an increased interchange of staff between headquarters and field. The quality of services to the constituents should be improved and expanded; and finally, there is a need for strong direction from top management. A Working Party of the Governing Body has recently made a number of recommendations for better functioning of the policy and they have been outlined earlier in the text.

Programmes: Nature and approach

Programme approach

In the light of changed perceptions about the efficient delivery of technical cooperation and in response to calls for the adoption of a programme approach, the ILO has formulated global programmes; the merits of such a strategy have been shown in this report. The APP has taken the ILO closer to its constituents and increased possibilities of dialogue and consultations with them; and the demand for ILO services has increased considerably. What is crucial is to prevent ILO technical cooperation programmes from becoming too scattered and covering too wide a range of issues so that their impact and visibility are reduced. This consideration has been taken into account and country objectives now focus on fewer priority themes rather than on a "shopping list" of desirable projects. In spite of such efforts, more needs to be done; even greater prioritization and selectivity might be required. It should be pointed out, however, that a programme approach does not preclude ad hoc services and programmes. Recipients and beneficiaries of technical cooperation have often expressed the wish that the ILO should also respond to their ad hoc needs and adjust its methods and approaches to cater to national situations and values; this could be tackled on a case-to-case basis. A large programme operating under a programme approach is easier to manage; donors emphasize programme focus, measurable impact and delimitation of the number of substantive areas of intervention. Future programmes of the ILO will be concentrated in fewer but well defined InFocus programmes referred to later in this chapter.

Regional and country-level considerations

Problems may only be identified as global in very broad terms. Experience has shown that it is wrong to underestimate the extent of heterogeneity that exists across regions and even within subregions. Due recognition needs to be accorded to the socio-economic, religious and cultural differences that prevail. Particular attention must therefore be paid to the regional, subregional and even country-level manifestations of global problems before making country-level activities of the programme operational. As seen in Chapter II of this report, many of the successful technical cooperation programmes have been those adapted to suit country-specific situations. This approach will continue and it might be possible to carry it even further by developing the programme locally — where relevant — instead of adopting a universal approach towards regions or countries on the assumption that making local level modifications would be adequate. A bottom-up participatory development approach has its own

merits; the benefits of shared vision and locally owned strategic objectives should not be overlooked.

The last decade, which has witnessed globalization and liberalization, has also seen the establishment or strengthening of regional blocs and bodies. This has important implications for the ILO's technical cooperation programmes and is an area where more emphasis may be required; there may be a need to develop regional programmes to cater to the ILO's concerns in these regional bodies. Trans-border differential wages, labour laws, the movement of workers or restrictions on this movement are just a few examples of these concerns. Integrating regional dimensions into global or country-level activities is a challenge for the future. At this point, it may be mentioned that, giving due consideration to some of the regional and subregional specificities, the ILO has established subregional objectives instead of the usual country objectives for some countries in Latin America.

Coherence of technical cooperation activities with the regular budget programme

The analyses in Chapter II of the ILO's technical cooperation programmes and projects in priority themes has clearly demonstrated the usefulness of complementarity between the programmes within the regular budget of the ILO and technical cooperation programmes with extra-budgetary funding. This issue could be further examined.

The ILO's major policy orientations and priority concerns are defined in response to the demands of its member States and in conformity with its constitutional mandate. They are reflected in the overall objectives formulated in the programme and budget proposals and guide ILO action in each biennium.

To achieve ILO objectives, individual programmes may use several means of action such as research and studies, standard-setting, technical meetings, dissemination of information, technical advisory services, and technical cooperation. These means of action are used as the bases upon which regular budget resources are allocated. In each biennium, programme managers determine the best combination of means of action for their programme development in response to the ILO constituents' demands and concerns. In recent years, such programmes have tended to be drawn from country objectives — although there is room for improvement in this area.

The priorities for ILO action, which are described in the programme and budget proposals, should cover the work for both regular budget and extra-budgetary resources. This is to ensure consistency between all ILO activities irrespective of the financing source and guarantee that all programmes address the concerns of the Organization. Technical cooperation activities should be defined as an integral part of individual programmes which are primarily responsible for developing the substantive content of ILO technical fields of competence. It is, therefore, the responsibility of each technical programme and the field units concerned to ensure coherence between technical cooperation activities and ILO priorities. Regular budgetary allocation to the individual field offices for staff resources are largely determined by the volume of their technical cooperation programme.

As seen in Chapter I, RBTC constitutes only some 10 per cent of the ILO's total expenditures on technical cooperation. Despite this fact, it has an important role in

supporting the urgent needs of constituents and has also proved extremely useful as seed money and a catalyst for the starting up or elaboration of projects. Possibilities of larger allocations of funds to RBTC might be explored.

Allocation of the ILO's own resources to its priority areas have had positive impact in attracting donor funding and enhancing coherence between its regular programmes and those funded through extra-budgetary funds. In this context one might refer to the 1992-93 biennium when the ILO allocated considerable resources from its regular budget to an interdepartmental project on the elimination of child labour. Work carried out under that project was instrumental in enabling the Office to successfully launch the International Programme on the Elimination of Child Labour (IPEC).

Programme development and delivery

Demand for services: Centres of excellence

Technical cooperation programmes will only continue to be demanded from the ILO and funded by donors if there is the conviction that the ILO is capable of delivering high quality products — be they advisory services, technical support, or technical cooperation projects. This brings us back to the issue of "centres of excellence". As mentioned in the section on the APP earlier in the text, there is a need to strengthen technical capacity — whether through training, by matching specialist positions with demand for services, carrying out more dynamic recruitment, or making more and better use of locally available technical resources, etc. The ILO should be prepared and capable of providing highly specialized services at short notice; the recent financial crisis and the demand for ILO assistance underscores this point.

Being a centre of excellence involves undertaking analytical and compilation work on an appropriate scale; resources currently allocated to research in the ILO are inadequate. One way to supplement funds available for research from the regular budget could be through execution of technical cooperation programmes. In the past, when the technical cooperation programme was much larger, a portion of funds referred to as programme support income (PSI), generated through the discharge of its specialized agency functions, was used to create additional research capacity. This not only improved the quality of backstopping services delivered to the constituents, but also further underpinned the centre of excellence claim of the Organization. Today, with the contraction in technical cooperation programmes referred to earlier, PSI has diminished substantially and, with it, resources for research. The centre of excellence issue is so critical to the future of the ILO that donors might consider providing additional resources for it.

A related question which also concerns the roles and responsibilities of the various components of the ILO is the optimal geographical location of the Office's technical capacity. The issue of critical mass is important in this regard. Given that the Organization might not have the adequate resources to staff headquarters technical departments more fully, while also maintaining the field presence through MDTs which is necessary to keep technical competence in key programme areas close to the constituents, the solution might be to work together with mobility and flexibility. This is an issue that deserves further reflection.

In this context it is important to recall that the multidisciplinary approach now observed in the configuration of the technical services in the field encourages maximum exploitation of synergies between various disciplines; this has proved a good deal more difficult to achieve among headquarters departments. On the other hand, however, it might be argued that modern information technology offers an opportunity to service effectively the field from headquarters and therefore technical capacity currently installed in the regions should be regrouped at headquarters to create the necessary critical mass.

Given the limitations described above, an interim solution might be not to attempt developing cutting-edge expertise in a broad spectrum of specializations but rather to select a few areas for developing authoritative expertise and, through networking, act as a clearing house and a source of information where similar expertise may be found in related areas. The Conference might give some guidance to the Office on this important issue.

Formulation to implementation: Decentralization

The next issue concerns development, monitoring and implementation of programmes and projects. Technical cooperation projects of the 1970s and 1980s were largely designed by technical specialists at headquarters or by regional advisers working independently in the field. The mobilization of resources for such projects was generally centralized, and most administrative and financial decisions were taken by the relevant departments at headquarters. Large projects had chief technical advisers who were responsible for local project implementation; however, they received considerable assistance on both technical complexities and financial and administrative procedures from desk officers and other specialists at headquarters.

The creation of multidisciplinary teams (MDTs) prompted an in-depth examination of where responsibility for the backstopping of technical cooperation projects should be vested so that maximum support could be provided to technical cooperation projects and programmes and swift and pertinent communication established between the various actors, without additional expense. The decentralization of what was termed "technical, administrative and financial backstopping" from headquarters to the field structure, where programme implementation was actually taking place, was advocated; MDT specialists were expected to combine their regular advisory services function with technical backstopping duties.

In order to bolster the effectiveness of the decentralization of technical responsibility to offices outside Geneva, financial and administrative procedures were amended to facilitate the efficient delivery of technical cooperation assistance. Computer systems were developed and installed in all regions and these, combined with the new procedures, were expected to provide external offices with tools to manage better the projects under their technical and administrative responsibility. Transitional measures were put in place to ensure that the decentralization of substantive responsibility for project delivery went ahead even when the computer support systems were not fully operational. The implementation of the new systems and procedures was complemented by comprehensive training of a broad range of officials in all regions.

As may be expected during the transition period of any structural change, the delivery rates in terms of execution of technical cooperation projects has suffered. This

tendency has been criticized by both recipients and donors alike who see it as a reflection of a diminished capacity of the Organization to execute programmes. The Office is aware of the situation and steps are being taken to rectify it so that this critical function of backstopping of technical cooperation programmes is not undermined.

The experience over the last few years has shown that more clear-cut guidelines are required — and the first step might be a clear message from the highest echelons of the Organization to the staff on the importance to the ILO of technical cooperation and the need for it to be given priority in their workplans. As stated in the section on the APP, the division of roles and responsibilities at the headquarters as well as in the field for developing, formulating, implementing, monitoring and evaluating technical cooperation programmes must be further clarified as a matter of urgency.

Evaluation

It may be recalled that during the 1990s there were renewed calls from member States for the United Nations system as a whole to become more relevant and effective; in the case of the ILO, the constituents also demanded enhanced transparency and accountability of the Organization's activities. The Office responded by developing and putting in place the Monitoring, Evaluation and Reporting System (MERS) which is applicable to all ILO activities irrespective of financial sources.

The tripartite structure of the ILO is unique in the United Nations system; an important issue that could be explored is the way in which tripartism might be better used in the design, formulation, implementation and evaluation of programmes. Needless to say, the involvement of beneficiaries, and particularly the ILO constituents throughout the programming cycle, would ensure the relevance and effectiveness of programmes and projects. As mentioned earlier, the Working Party of the Governing Body recently evaluated the implementation of the APP. At its November 1998 session, the Governing Body agreed that the Officers of the Committee on Technical Cooperation, in collaboration with the Office, should prepare a discussion paper to outline a system for the monitoring of not only the APP but also the technical cooperation programme as a whole; it was hoped that this would improve the involvement of the constituents at every stage. This monitoring would be in the framework of a broader monitoring and evaluation system to be set up by the Office.

Resource mobilization for technical cooperation

Proximity and increased dialogue with the constituents resulting from the APP has substantially increased the demand for ILO services. Problems associated with globalization and liberalization have also given rise to more requests for ILO assistance. The World Summit for Social Development, meeting in Copenhagen in 1995, requested the ILO to contribute to the implementation of its Programme of Action. All these activities have been occurring against a background of dwindling resources; clearly this poses a problem. The ILO has already embarked upon a resource mobilization policy (described in detail in Chapter III). It is clear that the ILO will need to invest in order to secure additional resources. The Conference might wish to guide the Office on some of the elements in its resource mobilization efforts. Suggestions might include programme development, the strengthening partnerships with funding agencies and the launching of a marketing campaign.

Priority areas for future technical cooperation programmes

The Director-General has set in motion a process of strategic budgeting which is intended to cluster the programmes of the ILO around four strategic objectives. Under each strategic objective, a number of international focus (InFocus) programmes of high priority, relevance and visibility have been identified. They will concentrate and integrate activities already under way while responding to new needs and demands for maximum impact and coverage. These (InFocus) programmes will have their corresponding expression within regional programmes. Appraisal of development needs and gender dimensions will constitute cross-cutting issues in defining specific activities in all strategic objectives.

The four strategic objectives and their related InFocus programmes are:

Promote and realize fundamental principles and rights at work

InFocus programmes

Promoting the Declaration

Progressive elimination of child labour, promoting development

Create greater opportunities for women and men to secure decent employment and income:

InFocus programmes

Reconstruction and employment-intensive investment

Investing in knowledge, skills and employability

Boosting employment through small enterprise development

Enhance the coverage and effectiveness of social protection for all

InFocus programmes

SafeWork: Security and productivity through safety and health at work

Economic and social security in the twenty-first century

Strengthen tripartism and social dialogue

InFocus programme

Strengthening the social partners.

At its March 1999 Session the Governing Body welcomed the new style of budget and endorsed it for full launching. This innovative approach will promote the ILO on the basis of its knowledge, service and advocacy. The same orientation will be applied to the technical cooperation programme to improve its effectiveness and impact. It will also assist in minimizing the incidence of the apparent fragmented and supply-driven approaches in the current programming of operational activities.

Working within the framework of United Nations reforms and collaboration with the international financial institutions

The Secretary-General's reform package launched in July 1997 has been the most significant event in recent years for operational activities of the entire United Nations system at the country level and will have a profound impact. The measures already taken point to a strong thrust for moving beyond mere coordination, information-sharing and complementary action towards a more centrally directed and managed United Nations system with a unified presence at the country level. For a specialized

agency such as the ILO which has specific technical competencies, its own mandate and constituents, the key issue will be to ensure that the substantive objectives and priorities agreed upon with its constituents and articulated in its country objectives are appropriately reflected and provide the basis for future collaboration and the financing of ILO technical cooperation. The Office will need to continue following and monitoring the United Nations reform process, analyse the implications and take appropriate action.

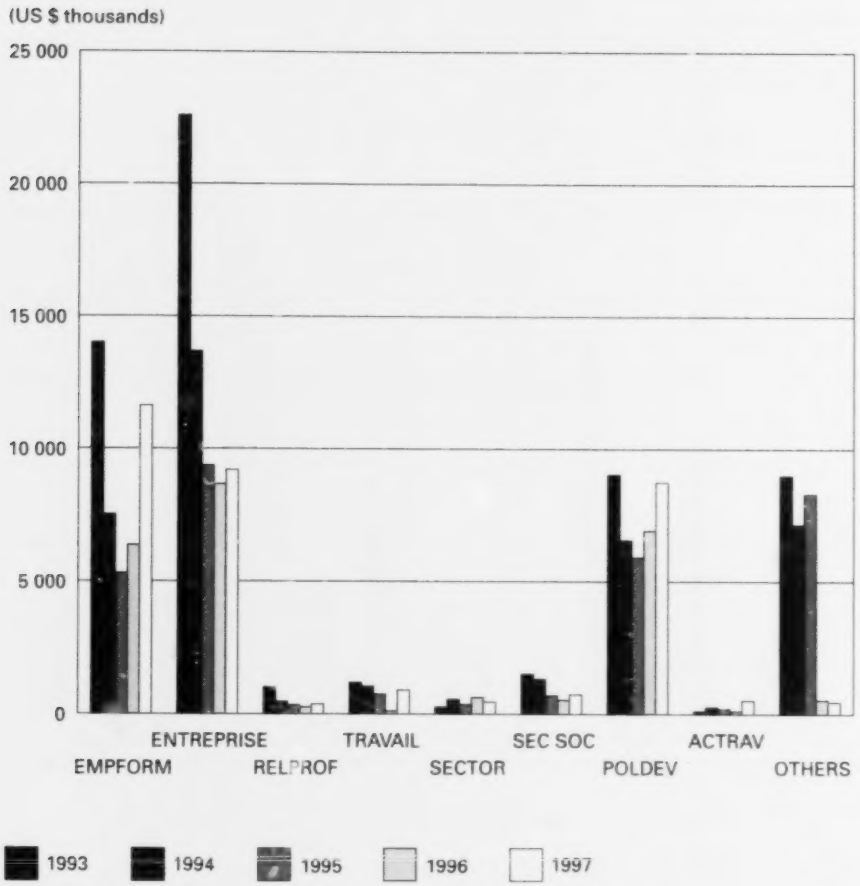
Concerning relations with the Bretton Woods institutions, ILO's focus has been on close policy dialogue, networking at the analytical and research levels. At the country level, the systematic and comprehensive decentralization of World Bank operations to the field level should enhance opportunities for country-level dialogue and cooperation.

Technical cooperation in the twenty-first century: Working in partnerships

This report on technical cooperation has highlighted the basic philosophy of the ILO as it crosses the threshold into the twenty-first century; it must work with consensus in partnerships. First, it will work closely with the constituents and the machinery established for that purpose will be strengthened further to provide its basis. Second, it will work hand in hand with the development partners within the framework of United Nations reforms, global conferences and development cooperation. Third, the ILO structure as a whole will work in unison, speaking in one voice and as one programme to achieve its goals.

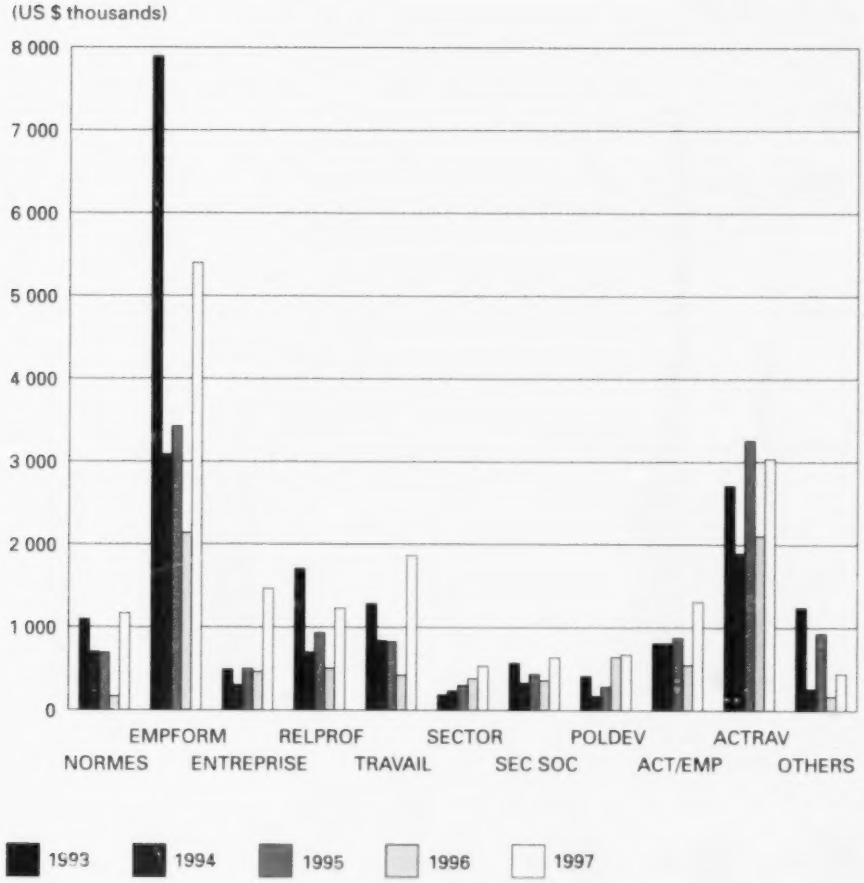
APPENDICES

Appendix I. UNDP expenditure on ILO technical cooperation by major technical programme (1993-97)



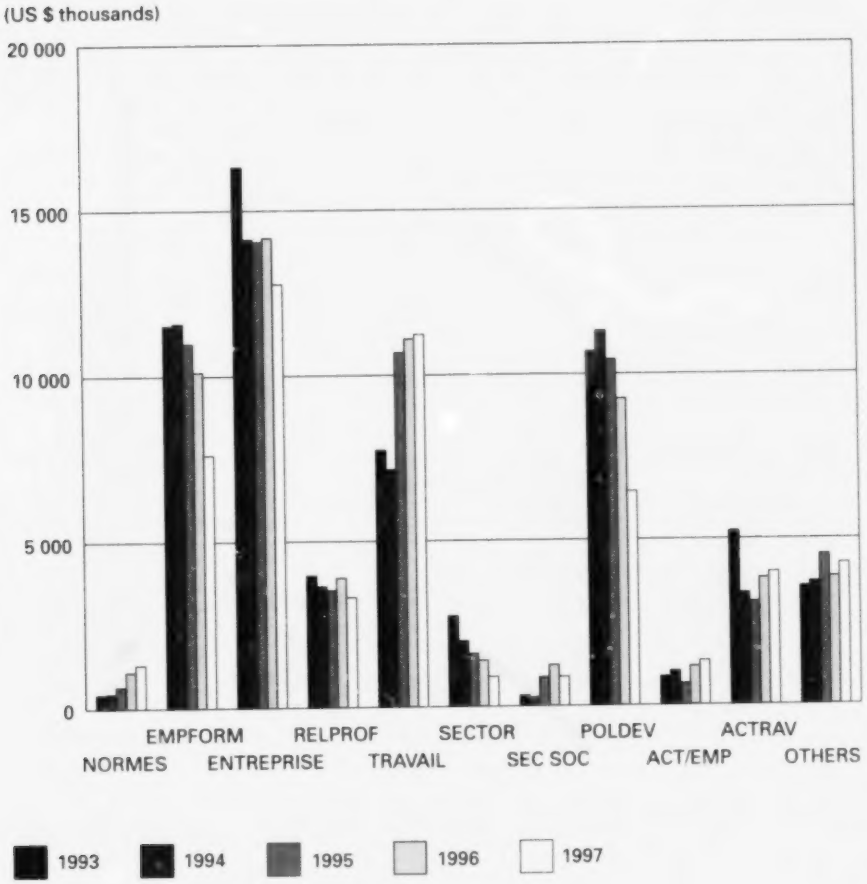
Figures have been adjusted where necessary to take into account the internal reorganization of some departments.

Appendix II. RBTC expenditure on ILO technical cooperation by major technical programme (1993-97)



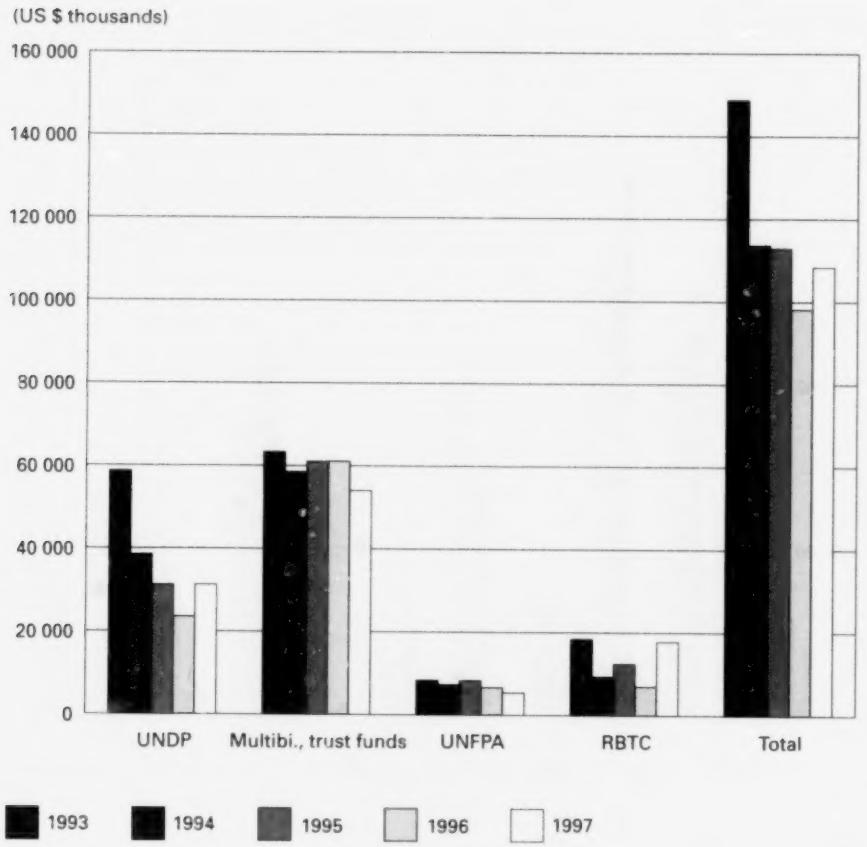
Figures have been adjusted where necessary to take into account the internal reorganization of some departments.

Appendix III. Trust funds expenditure on ILO technical cooperation by major technical programme (1993-97)

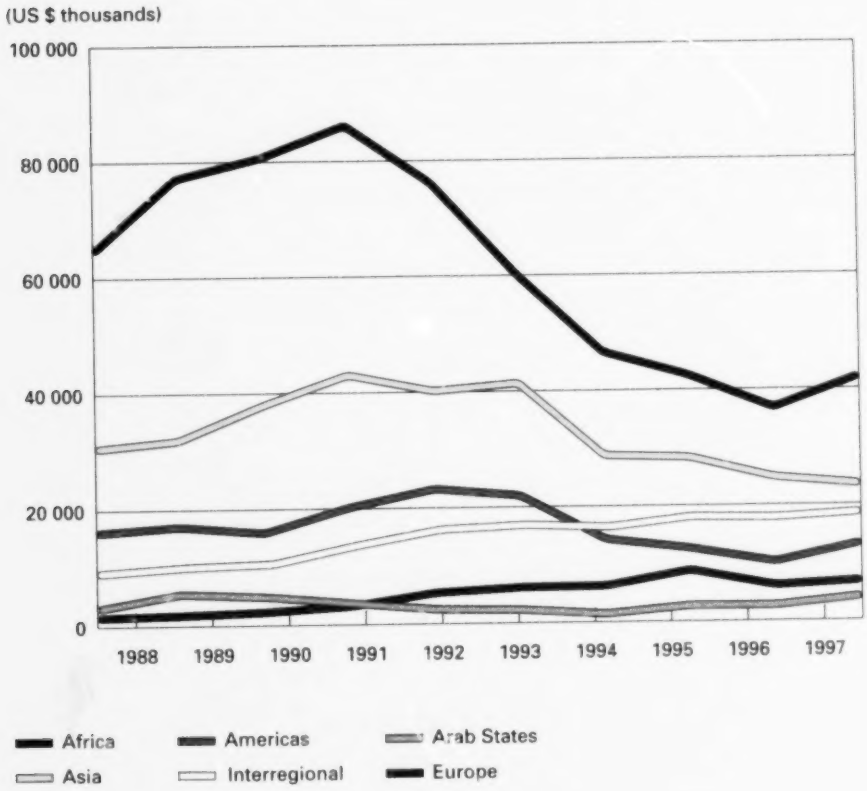


Figures have been adjusted where necessary to take into account the internal reorganization of some departments.

Appendix IV. Expenditure on ILO technical cooperation from all sources of funds (1993-97)



Appendix V. Expenditure on ILO technical cooperation by region (1988-97)



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